

Liberal arts education: Waste of money or practical investment? Study's conclusions might surprise you.

By **Susan Svrluga**

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When Erika Hagberg started college at Washington and Lee University, she thought she might want to be a doctor but quickly discarded that idea. She took journalism classes, business classes, music theory, history, calculus, economics, art history. “I had no idea what the hell I wanted to do with my life,” she said.

Twenty-some years later, now director of global sales for Google, Hagberg credits her wide-ranging liberal arts education with preparing her for a demanding business career.

A study from Georgetown University's Center on Education and the Workforce finds that over the course of a career, a liberal arts education is remarkably practical, providing a median return on investment 40 years after enrollment that approaches \$1 million. The results, searchable and sortable by institution, were released Tuesday.

It might seem counterintuitive — especially to parents cringing at tuition bills and poetry seminars. But Hagberg said she quickly learned that in the small classes at Washington and Lee, she had to have done the work, be ready to answer tough questions, appreciate multiple perspectives and be able to explain her ideas effectively.

After graduating in 1997, Hagberg took what she thought was a placeholder job — working at AOL — and soon had the drinking-from-a-fire-hose feeling of learning everything possible in a fast-changing environment. Liberal arts helped teach her to be nimble, and to speak up. “The pace of digital disruption is just incredible,” she said. “You have to be comfortable with that chaos.”

There has been a lot of skepticism about the value of a liberal arts education, a feeling that tends to spike during economic downturns, prompting many students and parents to seek training for a specific career. Some small liberal arts colleges have closed, or considered closing, in recent years.

The Georgetown study finds that the return on a liberal arts education is not typically immediate — at 10 years, the median return is \$62,000 — but over the decades of a career, it is solid. Only doctoral universities with the two highest levels of research activity, well-known institutions such as Stanford University and the Massachusetts Institute of Technology, fared better in the school's estimated return on investment. The median 40-year return of \$918,000 at liberal arts colleges is more than 25 percent higher than the median for all colleges, researchers found.

Over a long period, the ideal preparation includes education in a field linked to a career, such as engineering, with the addition of general education that allows a person to be flexible and draw on a wealth of knowledge, according to Anthony P. Carnevale, director of the education and workforce center at Georgetown.

“That’s why over a 30-to-40-year period, a liberal arts education does well,” he said.

In Europe, higher education tends to be more directed toward specific careers, he said, while in the United States it’s more typical to have a major and a variety of other classes. “It turns out in an economy where there are a lot of changes . . . that combination makes you more flexible,” he said, “and gives you more opportunity in the long run.”

For some professors, the idea of return on investment from college is antithetical. They would argue that higher education is designed “to make you a better thinker,” Carnevale said, “to pursue knowledge for its own sake, not to get a job or some other extrinsic value.” But most members of the public think of college as a means to employment, he said.

“I have this conversation day in and day out,” said Michelle Chamberlain, associate vice president of advancement and dean of student opportunities at Claremont McKenna College. “When I talk to prospective families, not only do I get the question about, ‘Is this liberal arts education going to pay off?’ — with ‘liberal arts’ in air quotes — but also, ‘I don’t want my son or daughter to be a philosophy major.’”

She explains that critical thinking, writing skills, the ability to think across disciplines, the technical classwork, the internship experiences of students — all provide good preparation for the workforce and are things employers are seeking.

The Georgetown study follows a more sweeping analysis by the center using federal data to calculate net present value to estimate return on investment at more than 4,500 colleges and universities across the country. The study takes into account factors including costs, financial aid and future earnings.

In this case, they examined institutions listed by the Carnegie Classification system as Baccalaureate Colleges: Arts & Sciences Focus — what most people think of as liberal arts colleges, schools primarily offering bachelor’s degrees, and not large research universities.

The researchers found considerable variability within the group of liberal arts schools, with the most selective schools producing significantly higher returns than the median. Schools with high graduation rates tended to have better results. Schools with a high proportion of students studying business, engineering, science, technology and mathematics typically had higher returns on investment, probably because those majors often lead to careers with higher earning potential.

Location seems to be a factor as well, with earnings higher in some parts of the country. So is family income: At Talladega College, where 93 percent of students receive Pell grants, the long-term return on investment was estimated at \$432,000

Harvey Mudd College, with its emphasis on science, engineering and math, had the highest ranking among the 200-plus liberal arts colleges for net present value at 40 years: \$1.85 million. Washington and Lee was second, with a 40-year return calculated at \$1.58 million. Claremont McKenna also ranked among the top 50 of all colleges for its 40-year returns.

At Washington and Lee, there are three accredited programs that most liberal arts colleges don’t have, said John A. Jensen III, dean of career and professional development — its law school, and undergraduate journalism and business programs.

Julianna Keeling was focused on return on investment when she was applying to colleges, she said. Coming from a Richmond high school emphasizing math and science, a liberal arts school wasn't the obvious choice, especially for someone interested in medicine and in developing plant-based polymers. A full scholarship offer drew her to Washington and Lee, where she took a variety of classes before graduating last year.

“Being forced to take history [and] literature really helped me to open up my mind to other types of ideas, to better find my passion,” Keeling said. For one class, she traveled to South Dakota to learn about Lakota philosophy and culture, ideas about ecology that influence her today.

She launched a company, [Terravive](#), selling consumer products that people can easily compost at home. Did she miss the access to all the labs and resources of a large research university?

“Yes, of course,” Keeling said, “it would be great to have that. But I'm really happy with the education I got. It gave me the confidence to start Terravive . . . and the leadership skills to build this company.”

Hagberg said her professors expected her to be actively involved in class, and that has helped her during her career: When she knows she has the right answer at Google, she speaks up.

“We debate a lot, we challenge each other a lot in this industry,” listening to diverse perspectives and interrogating issues, Hagberg said. “I'm not afraid to have a voice.”