Should I go into dept to pay for college?

Tom Jones

I recently read some articles about the return on investment for getting a college degree. For years we have heard advertisements about how much more people with degrees earn over people without degrees. Recent studies are putting a condition on that data. According to those studies, many recipients of degrees are making less than $10/hour two years after graduation but spent more than $100,000 to get the degree.

About 6% of the people in the study were earning a gross salary that was less than 50% of the debt incurred to get the degree. Nearly 6,000 programs had no financial return on tuition investment.

While about half of people going to college will recoup their cost of education in five years, nearly 25% do not recover the cost in 20 years and nearly half of that group will never recover the cost.

With that all said, there is more to getting a degree than income. Improved communication skills, writing skills, social skills, etc. may be as important as income potential. The question is not, “Is going to college a good idea?” The question is, “At what cost?”

If what “gets you out of bed in the morning” requires a specific degree that you can only get at a specific University, then go there but don’t sacrifice your future by going into debt. Find alternatives. Take a lighter class load and work your way through. Apply for grants. Start at a community college and transfer. Find jobs who provide education benefits.

If you value a degree for all the other reasons I mentioned, go to a liberal arts school that you can afford. No one has ever cared what my degree is in or where I got it. What they care about is what I can do with the skills I learned while getting it. I rarely directly apply facts I learned in class, but I do apply the skills I used to complete the class. Research, writing, and public speaking transfer to my job and make me more valuable to my employer.

Interest on debt, stress from debt, and limiting buying power because of debt should all be part of the calculation.

I am an advocate of apprenticeship programs for skilled labor as an alternative course for many people. People who apprentice in skills like HVAC, electrical, plumbing, and others often come out ahead financially over college graduates. They often earn higher pay quicker and carry no debt to drag down the return in investment. There is a growing shortage of these skills because so many people look down on those jobs as less important than a degree. That shortage of skilled people will increase the demand and increase the probability of long-term employment.

Proverbs 22:6 says, “Train up a child in the way he should go, and when he is old he will not depart from it.” We often take that to refer to religious beliefs, but it probably refers more to work skills.

Should you go into debt to get a degree? For most Christians the answer should be no. I will not be so dogmatic as to say “Never, Never, Ever!” but I cannot recommend it. If you do take on debt, limit it to the last little bit to get finished. NEVER *plan* to go into debt to fund education.

A famous preacher from the past was noted for saying “never do wrong to get a chance to do good.” Think about it …