Harvard’s Financial Aid Failings

Frightening economics for graduate and professional students

“For those moving from warmer climates, inexpensive winter clothing can be purchased at local second-hand clothing stores, consignment shops, and discount stores.” So applicants to Harvard’s School of Public Health (SPH) are prominently advised, in the financial-aid section of the admissions website. “Dressing in several layers is warmest,” the school counsels further, making it possible to “take you through a Boston winter” on a tight budget. The Graduate School of Education, across the Charles River in Cambridge, posts “money-saving tips for HGSE students” on its financial-aid office website. The tips, offered by current matriculants, extol the virtues of “sharing class materials with a friend. Course packs and books are a large expense...” Newcomers are also urged not to “dismiss the idea of living in a dorm too easily, as dorm life has many positive sides.”

These are only the most vivid examples of Harvard’s financial-aid problem. Aid for undergraduates is popular with donors (attracting $225 million in new endowment during the University Campaign); need-blind admission is the College standard. Not so for graduate and professional students. Pursuing an education at a high-tuition institution like Harvard, in a high-cost area like greater Boston (where housing prices are especially inflated), can be daunting.

One could almost sense deans and students celebrating as President Lawrence H. Summers highlighted financial aid for graduate and professional study during his installation address last October. (One financial-aid dean says he began sketching his school’s needs on the back of an envelope before the president concluded his remarks in Tercentenary Theatre.) Summers declared that “as proud as we all are that any student, as we so often stress, can attend Harvard College regardless of financial circumstance or need...we should not rest until much the same is true of all of this great University.” At stake, he has subsequently said, is Harvard’s ability to enroll the best graduate students.

Beyond his statement of principle, Summers raised expectations about relieving the severest pressures. “Inability to pay,” he continued in October, “should not constrain students from coming here to Harvard to become scholars or doctors, architects or teachers.”

That said, the problem defies any quick fix or uniform solution. Costs and the availability of financial aid affect the span of students’ experience, from applicants’ willingness to apply to Harvard and decisions on whether to enroll if admitted, to their courses of study and professional paths upon graduation. For those pursuing programs that lead to careers in traditionally less remunerative public service—divinity, education, government, and public health among them—the professional choices can be excruciating. In other fields—law, for instance—Harvard students who go into public-interest or nonprofit work (as opposed to private or corporate practice) may be able take advantage of loan-forgiveness programs, an option not available from schools like education or public health. Arts and sciences Ph.D.s who want to pursue academic careers may fall somewhere in the middle of the spectrum, a range where offers from a financial-services company or biotechnology enterprise seem alluring.

The schools’ scholarship resources vary radically. So does their access to external sources of support such as federal research and training funds. Some schools train older students (who typically have greater family obligations) or have a higher proportion of international students (who qualify for neither federal funding nor domestic loans).

This is, truly, a case where Harvard’s independent “tubs” steer separate courses, making it a challenge to devise workable principles for University-wide financial support.

Vice president for finance Elizabeth C. Huidekoper, who has been leading the administration’s effort to gather and analyze data on current conditions, cites the sheer diversity of the schools and their students. Take the basic “cost of attendance”—what each school tells prospective students they should expect to spend while attending Harvard. The financial-aid sections of the websites for the divinity, design, and business schools recently

Despite fellowships, grants, and employment, Carol Strickland leaves the Graduate School of Education with more than $50,000 in loans to repay.
outlined academic-year costs for a single master’s student of $34,220, $41,730, and $54,800, respectively, reflecting both a wide range in tuition charges and multi-thousand-dollar differences in estimated costs for housing, food, supplies, and miscellaneous living expenses. If room and board estimates are too low, Huidekoper notes, scholarship students face the prospect of incurring higher loans to pay for their education.

Not that such calculations even arise in many cases. Several professional schools with particularly limited financial-aid funds exclude living expenses from their scholarship awards. The education school, for example, states frankly that “need-based financial aid funds are limited and are not sufficient to cover all the costs of attending graduate school for most applicants...” In fact, grants for master’s students “generally range up to a maximum of $6,000,” and the school’s guidance on the cost of attendance stops after listing tuition and fees. (Internally, GSE estimates the cost of attendance at $43,350.) Because there are no funds to defray living expenses, the topic is simply ignored. Students are directed instead to sources of information on pertinent topics such as “debt counseling.” De facto, debt becomes the prevailing means of paying the bills.

That makes time the student’s enemy. Daunting as the costs are for a one- or two-year master’s degree, during a multiyear program, a student can easily amass debt—much of it accruing interest as research and dissertation writing proceed—equal to a multiple of expected starting salaries. The education school’s Judith D. Singer and John B. Willett, who made financial aid an urgent priority during their year as acting co-deans, cite an extreme, but not unprecedented, case of a doctoral candidate who accrued $135,000 in loans during her protracted studies. Average exiting debt for Ed.D. students, to whom the school provides its most generous aid packages, is “heading to $70,000 or more,” according to Patricia M. White, director of financial aid (see “Daunting Debts”). Recent data show these newly minted education doctorates commanding initial salaries of about $57,000; for master’s graduates, the average debt load is $42,000 and the initial education salary $36,000.

**Daunting Debts**

Education is like a garden, explains Carol Strickland, a sixth-year student at the Graduate School of Education (GSE). “You can’t plant a seed and expect it to grow,” she says. “It needs the right soil, light, rain, and fertilizer.” For her, and many other students, financial aid is the fertilizer—the mechanism that allows them to pursue an education in the first place. Strickland says she counts herself one of the lucky ones: her financial-aid package has been generous.

A combination of scholarships has covered the bulk of her tuition and fees during her six years in the Learning and Teaching Program, where her dissertation has focused on the conditions that motivate urban students to excel academically. But even with her package of fellowships, grants, teaching jobs, and other term-time employment, she still accrued more than $50,000 in federal loans while at GSE, which she will begin paying down once she completes her degree this fall. Many of the direct costs of her education have been covered, but she has had to pay for food, housing, medical expenses, clothing, books, and travel to her research site in New York City. When the rent on the cramped Cambridge “affordable housing” apartment where she has lived for 20 years went up again this year, to $1,158 a month, Strickland, 55, says she was forced to get a roommate to split the cost.

Strickland’s case is hardly unique. From her seat on the GSE’s financial-aid advisory committee, Norma V. Jimenez, Ed.D. ’02, saw many of her fellow students suffering under massive debt loads. “Student debt is the number-one concern for our doctoral students,” she says. Jimenez, 31, also speaks from direct experience: she graduated in June with $79,000 in debt despite financial aid that covered much of her tuition during the past seven years as she pursued her doctorate. Jimenez says she often worked 30 to 40 hours a week to pay for expenses, including the $1,100 monthly rent on a Harvard-owned apartment, travel to her research site in Los Angeles, food, and credit-card debt that she ran up to pay for an earlier master’s degree.

Both women say their financial circumstances upon leaving GSE make them question whether they will be able to pursue their chosen careers. “At the Law School, the Business School, or even the Medical School to a lesser extent, perhaps, you can take on debt knowing that a six-figure salary awaits you after graduation,” Strickland says. “That’s just not true at the Ed School,” since teaching and nonprofit salaries range from $20,000 to about $50,000. Those numbers are daunting for Jimenez and her soon-to-be husband, Anthony Hernandez ’00, who graduated with an M.Ed. in June: “We need to be very conscious of what we can do.” Jimenez will be returning to her family home in Los Angeles to begin an administrative career at her alma mater, Concordia University. Strickland, for her part, worries about how she will have to use much of her income after graduation to repay her school loans, making it almost impossible to establish a retirement fund. With a tight laugh, she admits, “I have to say I’m a little concerned.”

Unsurprisingly, would-be students know the facts—and act accordingly. The living costs are “forcing the student body to be younger” and unencumbered by families, according to Joel C. Monell, GSE’s dean for administration and academic services. Willett calls that an unwanted development, because “we value experience in the education system as a criterion for coming to the school.”

Similarly, Stanley G. Hudson, assistant dean for enrollment services at SPH, cites anecdotal evidence that “a lot of people just don’t come. Faculty members tell us they meet great candidates in the field, but because of the limited amount of funding, they just don’t encourage talented people to apply”—especially from impoverished developing countries, where the public-health needs are most urgent. (Pressure is mounting internally, too. Given that doctoral candidates’ costs are often not fully covered even with fellowships and federal research and training grants, Hudson says, “Some departments feel they shouldn’t be admit-
includes those who checked the math and opted for law or business school, rather than government studies, in the first place.

As summer's challenge to the community provokes study of the needs across the University, elements of the response are beginning to emerge, even before proposed solutions are vetted and announced. Atop the agenda, Huidekoper says, is “Housing, housing, housing.”

The scarcity of affordable student accommodations aggravates each school’s aid problems. As quickly as aid has been increased in recent years, it has been consumed, and more, by rising rents throughout the Boston area, worsening the largest nontuition component of the “cost of attendance.” In effect, Harvard bids against itself, trying to keep up with, while contributing to, inflating prices—a point made repeatedly by Summers, who makes the case for a supply-oriented solution.

Moreover, the graduate schools are already at a competitive disadvantage, Huidekoper says, as Harvard provides University housing for just 39 percent of graduate and professional students (16 percent in apartments and 23 percent in dormitory units). Columbia and Stanford, she says, house half or more of such students, and Stanford ambitiously hopes to accommodate 80 percent of the population in the foreseeable future. And those schools and MIT (which houses about one-third of its graduate students, but has more units in the pipeline) subsidize rents, while Harvard housing is made available at essentially market rates.

The view from the schools agrees with Huidekoper’s perspective. Much as he covets dissertation-completion funding, Peter Ellison of GSAS worries about the escalating cost of living in Cambridge versus living in the neighborhood of competing institutions. “It’s not just the cost,” he says, “it’s about the availability in the vicinity of campus. That supply is just disappearing,” as the stock of rental units has diminished during the past decade.

“Housing is killing us,” says the Kennedy School’s McCarthy. During the last four fiscal years in the 1990s, the school made a deliberate effort to reduce graduates’ loan burden by restraining tuition, absorbing additional fees formerly added

Sandra Grindlay

SEEN HERE at the Fogg Art Museum with Henry Wadsworth Longfellow, LL.D. 1859, is Sandra Grindlay, curator of the Harvard University Portrait Collection and manager of the University Loan Program. The author of The Song of Hiawatha was sculpted by Edmonia Lewis—part African American and part Chippewa Indian—who lived in Boston but worked for a time in Rome, where she began on Longfellow, surreptitiously, when the poet visited the city in 1869. Harvard acquired the marble bust in the 1870s, and such records as exist suggest it was the gift of friends of Longfellow. Harvard got Grindlay in 1987, when she took a job in the paintings-conservation lab after course work and apprenticeship in that field—which she decided to pursue following 10 years teaching art history at Buckingham Browne and Nichols School in Cambridge and earlier experience as an art editor at Houghton Mifflin. She became curator of the portrait collection in 1990 and now looks after about 700 portrait paintings (ranging in date across more than three centuries) and 300 marbles, plasters, and bronzes, as well as a hundred or so portraits of Harvard itself. About 900 of these objects are on view in a hundred Harvard buildings. The loan program she manages also gets art out of the storeroom and onto the walls of anyone in a Harvard building who is willing to pay a small annual fee to live with a museum piece. Members of the community have a thousand objects, mostly paintings, to choose from. Grindlay and her husband, their two grown children flown, live in Lincoln, Massachusetts, where she likes to garden, to cook, and to walk in Mother Nature's masterpiece, the countryside.

Photograph by Porter Gifford
Counting the Costs

What would it take to address the financial problems of particularly needy students who want to pursue their graduate or professional education at Harvard? The estimate of the School of Public Health (SPH) may be illuminating.

Given the location of public-health problems, the school is especially interested in attracting international students and Americans from underrepresented minority groups (whose enrollment at SPH is proportionally far below that at competing schools). Even if students were required to take on loans at subsidized rates, and have some self-help component in an aid package, the school needs $5 million per year just for those targeted populations, says Stanley G. Hudson, assistant dean for enrollment services. That's not a substantial sum in terms of Harvard's $2-billion budget—but it's twice the school's total grant budget now, and the equivalent of income from $100 million of new endowment. To extend comparable need-based aid to the student body as a whole would require the income from $350 million of additional endowment—more than a 50 percent addition to the total endowment today.

Right now, Hudson says, SPH is fighting a constant battle of rising expectations. Prospective students know Harvard as the richest university in the world, and “they are stunned when they are offered packages consisting of big loans and nothing else. Some of the conversations are pretty painful.”

And then there is the efficacy of more cash. Before becoming GSAS dean, Ellison chaired the committee that in 1998 recommended overhauling financial aid to guarantee doctoral students tuition and living stipends, including teaching fellowships, for most of their course of study and research, at a cost approximating $100,000 per student. He says that reform, combined with the substantial increases in grant funding the Faculty of Arts and Sciences has since made available (raising the GSAS aid budget to $103 million currently), got results. In the humanities and social sciences, the yield (acceptance of offers of admission) now hovers at 66 percent and 64 percent, respectively—4 and 8 percentage points better than in 1997, and nearing the margin over competitive schools of design and dental medicine)—just one-fifth of the KSG’s McCarthy, who works with an aid budget of some $4 million annually, says that of the 600 two-year master’s students, just over half receive grants, averaging 58 percent of the tuition bill. Absent a massive infusion of aid funds, he says, the school is particularly eager to fund more of its public-service fellowships (there are 32 this year). They provide full tuition and a $7,000 stipend to students who pursue public-service careers for at least three years after graduation. That mechanism both attracts recruits to the school and launches them into public-sector jobs.

The education school, with an endowment of $303 million (about half that of the KSG, and larger than those of the schools of design and dental medicine)—just one-fifth of it dedicated to scholarships—has had University help to meet pressing aid needs. Like the Kennedy School’s public-service fellowships, the GSE has targeted a handful of “presidential fellowships,” funded by Massachusetts Hall; they guarantee entering doctoral students four years of tuition and fees, plus $12,500 stipends for the first three years of study—the first time GSE has been able to make multiyear offers. Of the improvements in students’ lives that GSAS has effected, Singer says, “We, too, would like to do that.” Citing the current admissions yield, she says, “The school is still attractive, but it’s on the backs of our students.”

Therein lies the greatest dilemma for schools like education and public health. The high costs of attending Harvard de-
mand substantial financial sacrifice from many students who then can expect lifelong low salaries. “It’s a pretty deadly package” for graduates, Singer says, and obviously a severe hindrance in raising funds from their alumni, the schools’ likeliest allies.

So the weaker “tubs” find themselves needing assistance from other parts of the Harvard community. During her introduction to the school, incoming education dean Ellen Condliffe Lagemann (see page 77) made explicit her understanding that President Summers would secure more funds, and he acknowledged that commitment. Beyond whatever additional funds the central administration might commit, the new dean and Summers will have to make GSE’s case to foundations and other Harvard alumni, such as business school graduates who during the University Campaign were important supporters of financial aid at other graduate and professional schools.

These are the issues Huidekoper and others must address as they devise plans to fulfill Summers’s vision of University-wide need-blind admissions and aid. At stake are the competitiveness of Harvard’s schools in attracting students, Harvard’s accessibility to the international community, the disparities among schools’ resources and differences in the total costs of degree programs, variances in student and family demographics, the quality of students’ experience while in residence, and—at least a little—leveling the financial playing field when career choices are made.

Nor are the stakes confined to Boston and Cambridge. As SPH dean Barry Bloom tells it, a faculty member has brought him a request from a former student who now works for a United Nations agency in Afghanistan, “than which few countries have greater needs.” He has identified a couple of qualified physicians who could come to the United States for desperately needed public-health training. But, says Bloom, “I don’t have the resources to make that happen.”

An Asia Expert for Arts and Sciences

The brief, intense search for a new dean of the Faculty of Arts and Sciences (FAS) concluded May 20, when President Lawrence H. Summers announced the appointment of William C. Kirby, Ph.D. ’81, Geisinger professor of history, to the position. He succeeds Jeremy R. Knowles, who made public in February his plan to conclude an 11-year tenure as dean on June 30 (see “A Dean for All Weathers,” May-June, page 48). The new Dean K. is a scholar of modern China; his predecessor, a chemist, analyzed enzymes.

Kirby figured in speculation about likely decanal candidates from the outset. Since arriving as professor of history in 1992, he had chaired his department (1995-2000) and directed the fledgling Asia Center (beginning in 1999)—important administrative, programmatic, and development credentials. He has also chaired the search for a new Harvard College librarian; served on the Resources Committee (through which FAS monitors its fisc, negotiates with the University administration, and advises the dean on internal policies, such as faculty leaves, and their costs); and has been a member of the Board of Syndics of Harvard University Press.

Summers praised Kirby’s “exceptional effectiveness and energy” in discharging those extraprofessorial roles. But other factors may have been decisive in his selection as dean. For one thing, his studies and scholarship embody the international scope Summers has championed. Kirby, a 1972 summa cum laude history alumnus of Dartmouth College, also studied in Germany and at Wellesley College as an undergraduate; as a graduate student, he spent a year in Berlin. At Washington University in St. Louis (1980-1991), he directed an international-affairs program and Asian studies (and was also dean of the unit serving part-time, evening, and summer-school students: a useful experience for an FAS dean, who oversees Harvard’s Extension School). More recently, Kirby was a visiting professor in Heidelberg and Berlin during the 1995-1996 academic year; his scholarly writings frequently cross borders, comparing historical developments in Germany and China. A current project, involving colleagues in Berlin and Beijing, explores the internationalization of China.

For all his technical rigor, Kirby is low-key in his public demeanor and communicates easily. His brief foreword to Iris Chang’s 1997 book, The Rape of Nanking, is a model of moral clarity; it ends with lines from “In Time of War,” by W.H. Auden:

And maps can really point to places
Where life is evil now:
Nanking; Dachau.

Kirby outlined the University’s widening...