

Your Money and You

A college student's guide to money management

How much tuition are you paying per year if you attend:

University of Pennsylvania
\$ 25,170

Yale University
\$ 25,220

Harvard University
\$ 25,128

M.I.T.
\$ 26,050

Cornell University
\$ 24,850

UNC - Chapel Hill
\$ 3,698 for in state

\$ 11,934 for out of state

University of Texas - Austin
\$ 3,575 for in state

\$ 13,502 for out of state

Penn State Behrend
\$ 6,436 for in state

\$ 12,100 for out of state

Edinboro University
\$ 3,792 for in state

\$ 5,688 for out of state

Mercyhurst College
\$ 13,290

Gannon University
\$ 13,670

College tuition rates continue to soar, study finds

by Matthew McGuire
TMS Campus

As a college degree becomes more and more necessary, it is also becoming more and more expensive, a recently released College Board study found. Tuition at public and private institutions has doubled over the last 20 years, while the median family income has risen 20 percent since 1981, according to the study. In the last year alone, the cost of a four-year degree has risen 5.2 percent at private institutions and 4.4 percent at public institutions.

According to the study yearly tuition, fees and room and board

increased: \$814 at private four-year colleges, \$16,332 this year versus last year's \$15,518, a 5.2 percent increase; \$148 at public four-year institutions, \$3,510 versus \$3,362, a 4.4 percent increase; \$490 more at two-year private institutions, \$7,458 versus \$6,968, a 7 percent increase; and \$56 more at two-year public institutions, \$1,705 versus \$1,649, a 3.4 percent increase. The study also broke down tuition costs by region and found the most expensive private four-year education comes from the New England states at \$21,215 per year, while the average in the Southwest clocks in at \$11,965 annually.

Results from the study weren't all grim, however. While a college degree may be more expensive, employers are paying more for those who attain a four-year degree. Students who enter the work force are getting paid 18 percent more than those who graduated twenty years ago. And students who attain an advanced degree are making 27 percent more than their decades old counterparts.

The study also found that financial aid given to students over the past 10 years has increased to match the steeper tuition bills. For the 1999-2000 school year, students got 15 percent more aid than they

did for the 1989-90 school year. The bulk of recent aid came from the federal loans at 51.4 percent, or \$35.1 billion, with institutional and other grants making up 19.4 percent at \$13.3 billion.

Also included in the study were college participation rates for different races. Asians led attendance figures with 87 percent of high school graduates continuing onto college, while 78 percent of whites, 65 percent of blacks and 61 percent of Hispanics continued their education.

University Of Chicago adds to its nobel tradition in economics

by Ruth E. Igoe
ChicagoTribune

Economist James Heckman has become known for applying cool mathematical logic to politically explosive issues. Do affirmative action programs work? Do job training classes make a difference? Is it worth the effort to get a GED? For years the University of Chicago economics professor has asked these questions and others about situations affecting workers, especially African-Americans, women and those with few job skills. Often his answers have challenged conventional wisdom, whether liberal or conservative.

Already highly regarded by fellow academics, Heckman was rewarded Wednesday with a Nobel Prize in economics for his pioneering work in microeconomics. The Royal Swedish Academy of Sciences also cited Daniel L. McFadden, an economist at the University of California at Berkeley, for his work in the field, which links economics with statistics. They will share a prize worth \$915,000.

News of the award reached Heckman, 56, in Rio de Janeiro, where he was attending a conference. Up early as usual, he was getting ready for a lecture about inequality in Latin America while trying to catch playoff scores on CNN. Then, his hotel phone rang. "It was a Swedish accent," he recalled. "So it sounded good."

In fact, the call from the Royal Swedish Academy of Sciences sounded good to everyone on the Hyde Park campus as the University of Chicago picked up its 72nd Nobel Prize among students and faculty.

The prize also lengthens the lead of the U. of C. economics department over the rest of the field. The university's economists

have now won six Nobel Prizes in the last decade and 21 since 1968, when the Nobel Memorial Prize in Economic Sciences was created in memory of industrial magnate and chemist Alfred Nobel.

"I know no one has the numbers we do. There is no other place like this," said university spokesman Larry Arbeiter, who has presided over more than 10 Nobel Prize news conferences during his roughly 20 years with the university. "It is an overwhelming amount of intellectual firepower."

Heckman and McFadden, 63, have worked separately in the field of microeconomics. A member of the U. of C. faculty since 1973, Heckman was acknowledged by the Swedish organization for his studies of the impact of social programs and for devising ways to study the programs' effects. Speaking at the U. of C. news conference by phone, Heckman joked that his joy was accompanied by relief that he would not be excluded from what is becoming a department tradition.

"I have to admit, after a while 'not having a Nobel Prize' starts to hurt," he said with a laugh before taking a more serious tone. "It's a high level in Chicago, and I can only say how much I deeply respect the people at Chicago. The intellectual level at Chicago is the highest in the entire economic profession."

Colleagues and former students described Heckman as a voracious reader, especially of history, someone with endless energy and curiosity. He is a professor, one colleague remarked, who brings to life a subject often feared by students.

His wife, Lynne, said he works about 20 hours a day. He is known throughout the campus for sending e-mail queries and comments to his students and teaching assistants throughout the night. "If you meet him, the meeting will go on for

hours. You will leave exhausted, and I have never seen him tired," said Lance Lochner, a former student who now teaches at the University of Rochester.

Colleagues lauded Heckman's research as giving social policymakers new insights into areas ranging from education and job-training programs to minimum-wage legislation and civil rights laws. He has studied how women's levels of schooling affect their earnings and why Catholic school students tend to do better on tests than their public school counterparts.

"What might seem like a simple question becomes a challenging statistical problem," said fellow U. of C. economics professor Gary Becker, who won the Nobel Prize in 1992. "He's what you would call an economist's economist. He has not sought public policy appointments. He doesn't do media events. He is a serious scholar."

Robert LaLonde, a professor of public policy at U. of C., said Heckman's work does not fall into any political category. "He is like an umpire. He calls them as he sees them," LaLonde said.

For example, Heckman was intrigued for years by a debate over whether the 1964 U.S. Civil Rights Act had truly improved the lives of Southern black workers, said Orley Ashenfelter, a Princeton University economist and longtime acquaintance of Heckman's. A new theory among political conservatives was crediting the South's economic boom, not the law, for blacks' newfound prosperity.

With his trademark boundless energy, Heckman culled hard-to-find details on the once-segregated textile industry in South Carolina before and after the 1964 law to show in a 1989 study that the law had, in fact, opened the way for blacks to gain.

That study more than anything

has convinced people that although we may not need the Civil Rights Act anymore, we needed it then," Ashenfelter said. In a recent speech, Heckman questioned the conventional wisdom that considers formal schooling to be the key to preparing workers for the job market and ignores the roles played by families and workers' social skills.

LaLonde said one piece of Heckman's early work is widely used nowadays as a part of computer software for social science research: his mathematical formula for the impact of unobserved factors on a situation.

Heckman's father was a manager for Armour & Co., the giant meatpacking company, and the family moved from plant to plant. Heckman was born in Chicago, and the family eventually ended up in Lakewood, Colo., a Denver suburb. He attended Colorado College and graduated summa cum laude. He spent his first year of graduate school at the University of Chicago, then failed the university's "preliminary exam" that allows students to continue. Instead of retaking the test, Heckman headed to Princeton University, where he finished both his master's and doctoral degrees in economics by 1971.

The Heckmans live near the U. of C. campus and have two children. Their son, Jonathan, 18, is a freshman at Princeton, and daughter Alma, 14, attends the University of Chicago Laboratory School.

"Some of what we celebrate today is not news. ... The quality of 'Heckman's' work and his contribution to economics has now been recognized with a Nobel Prize," said university President Don Michael Randel. "This is a school that is very much concerned with real-world problems affecting human beings."

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The mission statement of WPSE AM / 1450 is as follows:

—To provide the northwest Pennsylvania business community with professional business news and information through WPSE's unique affiliations with CBS Radio and the Business News Network.

—To provide the business community with a medium in which to communicate their mission, current initiatives and successes, and in so doing contribute to an active exchange of ideas for strengthening the northwest Pennsylvania business climate.

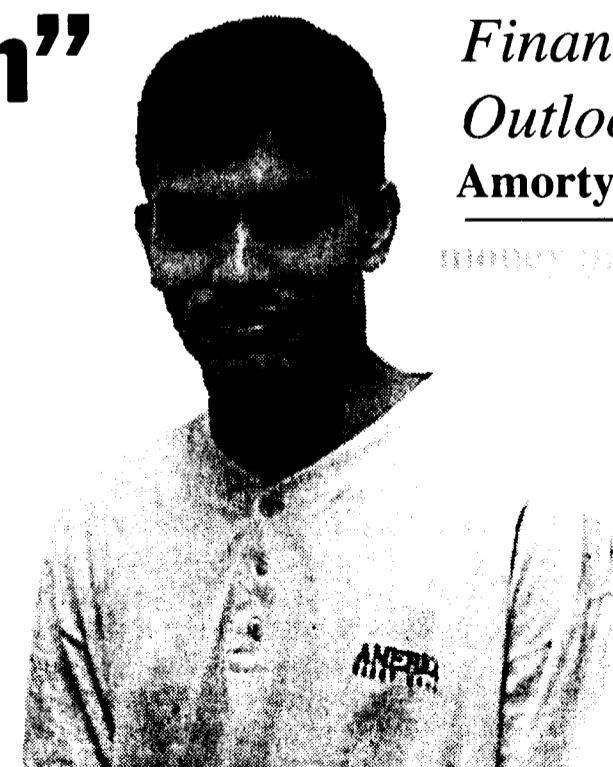
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One of the most prominent financial program hosts is Charles DeRose. He has long been recognized nationally as an authority in the field of financial and investment planning. He is quoted extensively in national financial publications, and is a frequent guest on important radio and television shows around the country.

Mr. DeRose began his career on Wall Street in the 1960s and in the 1980s served as Senior Vice President of Client Services for Laidlaw & Co and as Senior Vice President - Special Accounts for



Financial Outlook
Amortya Sinha

Morgan, Olmstead, Kennedy and Gardiner, both highly prominent Wall Street investment banking firms. Over this period of over 20 years, Mr. DeRose has counseled several firm's brokers and clients in their investment and financial planning.

Research conducted by the Business News Network and

CBS Radio Network and listener response identifies WPSE listeners as business owners and executives, community leaders and investors. According to the station, WPSE listeners are influential and involved citizens who rely on the station's credible, concise and instant business and financial information.