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# Master's Degrees Abound as Universities and Students See a Windfall

By [HANNAH FAIRFIELD](#)

The number of students in the [University of Chicago](#) program that bestows a Master of Arts degree in social sciences has quadrupled since 1989, jumping to 160 from 40, and despite a tuition price tag of \$37,000, every year more students clamor for admittance.

“It’s an expensive degree, but students have calculated how fast they get their investment back,” said John J. MacAloon, an associate dean at the University of Chicago and director of the program. “And it is beneficial for the university because there is a lot of tuition income to be had.”

More students than ever have started master’s programs this fall, and universities are seeing those programs as potentially lucrative sources of revenue. The number of students earning these degrees around the country has nearly doubled since 1980. Since 1970, the growth is 150 percent, more than twice as fast as bachelor and doctorate programs.

“Master’s programs are the most obvious targets of opportunity,” said George L. Mehaffy, a vice president of the American Association of State Colleges and Universities. “The degrees are in high demand, and this is an optimal time to enter or expand the market.”

For students, the degrees are often expensive; at private universities, many students take out \$50,000 in loans for every year of school. And scholarships and fellowships are rare, unlike doctoral programs, which are usually fully financed by universities.

Still, many say the price is worth it. In his two-year master’s program in science technology and environmental policy from the [University of Minnesota](#) Craig Nelson had \$35,000 in loans. Now, he works in regulatory affairs at the 3M Company.

“Without the degree, I wouldn’t have the job,” he said. “So even though I’ll be paying the loan for 10 years, it was a good move for me.”

Getting into the business of offering these degrees can be a good move for universities, too, with some that have traditionally focused only on undergraduate students now

entering the master's market. The [California State University](#) system, for example, has introduced many new applied master's degrees and is expanding its master's of business administration programs.

"We are really conscious of the fact that master's degrees are becoming the coin of the realm," said Gary W. Reichard, the executive vice chancellor and chief academic officer for the California system. "And because M.B.A.'s can offer tremendous salary boosts down the road, we can charge higher tuitions to students."

Universities also do not have to provide dormitory rooms and dining halls for master's candidates, because graduate students typically do not live on campus.

Some university officials say the explosion of these programs has less to do with revenue than it does with the marketplace pressures on students to get higher degrees and credentials.

Thomas Ehrlich, a senior scholar at the Carnegie Foundation for the Advancement of Teaching and a former president of [Indiana University](#), said that although many master's programs could be good revenue streams for universities, "We're not in the business of making money." He added, "We're in the business of educating students."

But some schools are in the business of both. The University of Phoenix, a commercial institution with 60 branch campuses and around 200,000 students, awarded 24,788 master's degrees last year, mostly for work completed online in business and education. That was at least a thousand more than the number of bachelor's degrees it awarded.

Many university provosts say a graduate education can be more expensive to provide than an undergraduate degree, merely because class sizes are usually smaller in graduate courses. But for universities that already have established doctoral programs, adding paying master's students to the mix means they get a bump in tuition dollars without a heavy outlay of resources.

"Sometimes there is unused capacity in graduate classrooms," Mr. Mehaffy said. "If there are 10 people in a graduate course one year and 15 the next, there is a 50 percent growth but no real drain on the institution."

Universities are also luring master's students into staying for multiple years by offering dual-degree programs: two master's degrees at twice the cost. Some programs join international affairs and journalism, science and public policy, business and education. Other schools extend programs; for example, the [University of Wisconsin](#)'s two-year master's degree in anthropology can be lengthened to three years if students want to add a museum studies concentration.

And many students believe that these multiple degrees are highly valuable in today's competitive job market.

Rey A. Phillips Santos has three graduate degrees gracing his résumé: two master's and one in law. After completing the master's of arts program in the social sciences from the University of Chicago, he decided to go on to the Chicago-Kent College of Law, in a joint-degree program in environmental management with the Stuart Graduate School of Business.

“There is a huge demand for credentials in high-level jobs now,” said Mr. Phillips, who is a lawyer for the Chicago city government. “Each of my degrees helped me to get a leg up in the job market, and earn higher salaries than I would have otherwise. They were great investments.”

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