

SPECIAL REPORT

SPEAKING OUT ABOUT THE RISING COST OF EDUCATION

THE CONSTRUCTION BOOM

Speaking out about the Rising Cost of Education is a updated series from usmnews.net. Its purpose is to investigate reasons the cost of a college education continues to climb, creating a massive, unsustainable burden for students and their families.

The popular press is rife with stories about the rising cost of education and the massive debt our students are incurring as they struggle to pay for an education. Last year, [the Wall Street Journal](#) reported that “total student debt outstanding appears to have surpassed \$1 trillion last year.” Burdened with historic amounts of debt, college grads are [moving home](#). Many of those who are not moving home are unable to [qualify for a mortgage](#) because of their student debt. Making this situation worse, is the fact that “nearly 14 percent [of student loan borrowers default](#) within three years of making their first loan payment.” And, the situation has only gotten worse as “[Surging student-loan debt is crushing the system](#).” According to Equifax, “\$3.5 billion in government and private student loans went bad in the first three months of 2013, the most since the company began keeping track.”

What does that have to do with Mississippi? In Mississippi, “[since 2000](#), average tuition among the eight universities increased 96 percent, an average of 8 percent a year.” In 2012, [USM students endured](#) an 8.7% tuition increase for 2012-13, with an additional 6.4% increase for 2013-2014..

That said, let’s start this series with the construction boom at colleges and universities across the country including Mississippi and the University of Southern Mississippi.

As a recent [Bloomberg News](#) report stated:

As borrowing soared, university presidents began a multibillion-dollar building boom across campuses, featuring private dorm rooms and network TV-ready football fields. Colleges themselves went into debt to pay for these extras. By the end of 2011, more than 500 colleges and universities rated by Moody’s Investors Service had \$211 billion of outstanding debt, compared with \$91 billion in 2002.

“The tendency of the colleges and universities at the undergraduate or the graduate level is to charge as much as they can, and continue to build and

expand," William Bennett, education secretary under Reagan, said in an interview.

This is going on in Mississippi, too. And that's where we will begin our next report in this series, *Speaking out about the Rising Cost of Education*.