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CLOTFELTER

*Buying the Best*

*Buying the Best*

**COST ESCALATION IN  
ELITE HIGHER EDUCATION**

*Charles T. Clotfelter*

PRINCETON

# *Buying the Best*

COST ESCALATION IN  
ELITE HIGHER EDUCATION

*Charles T. Clotfelter*

Since the early 1980s the rapidly increasing cost of college, together with what many see as inadequate attention to teaching, has elicited a barrage of protest. *Buying the Best* looks at the realities behind these criticisms—at the economic factors that are in fact driving the institutions that have been described as machines without brakes. In designing his study, Charles Clotfelter examines the escalation in spending in the arts and sciences at four elite institutions: Harvard, Duke, Chicago, and Carleton. He argues that the rise in costs has less to do with increasing faculty salaries or lowered productivity than with a broad-based effort to improve quality, provide new services to students, pay for large investments in new facilities and equipment (including computers), and insure access for low-income students through increasingly expensive financial aid.

In Clotfelter's view, spiraling costs arise from the institutions' lofty ambitions and are made possible by steadily intensifying demand for places in the country's elite colleges and universities. Only if this demand slackens will universities be pressured to make cuts or pursue efficiencies. *Buying the Best* is the first study to make use of the internal historical records of specific institutions, as opposed to the frequently unreliable aggregate records made available by the federal government for the use of survey researchers. As such, it has the virtue of allowing Clotfelter to draw much more realistic comparative conclusions than have

(continued on back flap)

## **BUYING THE BEST**

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A NATIONAL BUREAU OF ECONOMIC RESEARCH MONOGRAPH

# **BUYING THE BEST**

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**COST ESCALATION IN ELITE  
HIGHER EDUCATION**

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**Charles T. Clotfelter**

**NBER**

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**For James and John**

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