

Notes from North America

Fiction takes a beating

Paul Alper

Oh dear, where does one begin? Just when a would-be Jonathan Swift reckons he has seen it all, reality rears its ugly head and defeats any satirist's imagination. Take the case of Marilee Jones, who was the Dean of Admissions at MIT, a prestigious institution which accepts only one in seven applicants. She is by all accounts a sensible woman who was much in demand in this hectic era of university applications: 10-15 speaking requests per week according to the Associated Press, partly because she advocated reducing the pressure-cooker aspect of applying to university. She co-authored a book, *Less Stress, More Success: A New Approach to Guiding Your Teen Through College Admissions and Beyond*. She also reduced the number of lines for listing extracurricular activities on the MIT application in an effort to indicate that fewer might be better. I heard her give a radio interview in which she said she could immediately spot when a student was padding a resumé and cautioned against such defeating behaviour.

A few weeks later she suddenly resigned because, according to the official announcement by MIT, she had 'misrepresented her academic degrees to the institute'. In other words, she padded her resumé by claiming a degree she never obtained. She started in the admissions office 28 years ago, long before it became possible via Google or Yahoo to trace one's history, and in a relatively low-level position whereby checking on credentials might be viewed as overkill. She rose up the ladder by dint of talent until she was eventually exposed by an anonymous source whose reason for snitching has never been revealed. Jones's resignation statement concluded with: 'This is the only public comment I wish to make at this personally difficult time and I hope my privacy will be respected'. Many, perhaps too many, have compared her fall from grace with that of an American football coach who was to be appointed at the University of Notre Dame – MIT has no football team and that is why it is MIT – until it was revealed that he too didn't have degrees that were penned on his resumé. We live in an era of paper trails, which implies that a lack of a paper trail is also significant. Anything one says or writes can be found – or not found – in electronic databases.

That goes for phone numbers as well. Randall Tobias was the deputy

secretary of state in charge of AIDS prevention. His emphasis, in keeping with the Bush administration's pandering to the Christian right, was on abstinence. He resigned as soon as it became known via phone records that he used an escort service run by the woman known as the 'D.C. Madam' in order 'to have gals come over to the condo to give me a massage'. He insists that 'no sex' took place because he was always on his stomach. I ask you, what self-respecting satirist could dream up that excuse? Tobias has an impressive resume: CEO of Eli Lilly Co., and numerous corporate boards, among them 13 years with Duke University, where for three years he was its chair.

A week or so later Duke was in the hot seat again. And not because of the lacrosse team's hired strippers who later claimed rape – that was last year. This time, 34 graduate students in the Fuqua School of Business are being investigated for cheating on a take-home exam. Duke is one of the relatively few institutions with an honour code; the honour code reads:

'As a student and citizen of the Duke University Community:
I will not lie, cheat, or steal in my academic endeavors.
I will forthrightly oppose each and every instance of academic dishonesty.
I will communicate directly with any person or persons I believe to have been dishonest. Such communication may be oral or written. Written communication may be signed or anonymous.
I will give prompt written notification to the appropriate faculty member and to the Dean of Trinity College or the Dean of the School of Engineering when I observe academic dishonesty in any course.
I will let my conscience guide my decision about whether my written report will name the person or persons I believe to have committed a violation of this code.'

According to CNN.com, the MBA programme at Duke, rated tied for 12th in the USA, just so the non-American reader gets the enormity of the punishment for breaking the honour code, it 'will cost first-year students in 2007 almost \$50,000 for tuition, books and a laptop computer' should they be caught cheating and are expelled. The stakes are high, as evidenced by Bloomberg.com: 'Base annual average compensation for graduates of the top MBA programs in the U.S. was about \$100,000'. Further, 'A Rutgers University survey last year found that cheating at business schools is common, even after ethics course were added following scandals that bankrupted Enron Corp. and WorldCom Inc.'

Relying on an honour code in our current climate of corporate corruption is as sensible as insisting upon abstinence only in sexual

behaviour. Nevertheless, a much, much larger ongoing scandal in money terms, \$85 billion [thousand million], doesn't pertain to students but concerns university staff who advise students on loans to pay for university education, and the universities themselves. A non-American will find it difficult to conceive of how much a university education costs, and thus the need for loans. A personal example will suffice. My daughter just graduated from a university the reader has probably never heard of. Its current annual price tag is around \$35,000 but only the very rich and the not-too-academically minded pay the full sticker price. Her secondary school performance was good enough to receive \$11,000 per annum in scholarships. Instead of taking out a student loan for the rest, I followed the time-honoured, phallogocentric principle of marrying a rich woman. Most other fathers do far less planning when it comes to wedlock, hence the need for a student loan to get an offspring through university.

Her university, like most others, has a financial aid office in which students are given advice and directed to a list of so-called preferred lenders. It turns out that, similar to the medical world, all sorts of kickbacks and bribes are taking place. Sometimes the institution receives money from the lender, and sometimes a member of staff is a direct recipient of the payment. Thus far, such places as Johns Hopkins, Columbia University, the Universities of Southern California and Pennsylvania (and others) have been implicated. Accorded to *Legislativegazette.com*, 'numerous others have agreed to pay students back the profits they have made from the lenders. Upenn will return an average of \$500 per student for money that was collected over a year-long period'. As I write, today's *Minneapolis Star Tribune* reports that several of my local institutions are now admitting what might be deemed a hanky-panky relationship with preferred lenders.

The few shekels that went to university financial aid officers, or indeed to universities themselves, pale in comparison to what the lenders made. Because of government subsidies designed to encourage university attendance, the lenders were, in effect, in a no-risk business. It should surprise no one that hundreds of millions of dollars went to a firm called Nelnet which 'was the nation's most generous corporate donor to the National Republican Congressional Committee in 2006, and its top three executives were the largest individual donors to the committee as well'.

In the interests of full disclosure, I admit that I too had a scheme for gaming the system. When Becky started university, her student loan would have accrued no interest until six months after she graduated. Consequently, I calculated that we could set aside the cost of tuition,

fees, etc, by contributing the loan equivalent into a guaranteed account and then paying off the loan immediately upon graduation. A quick calculation based on the four years of an interest-free loan meant, if not a windfall, a nice graduation present.

But I lacked the nerve to pull it off. Now that she is in graduate school with a full scholarship we face another interesting dilemma. Although her institution is not implicated – at least not yet – in any student-loan kickback, it requires proof of health insurance. And, you guessed it, there is a preferred provider.

While we are on the subject of health insurance, the *New York Times* reports that hedge funds ‘are spending billions [again, thousand millions] to buy life insurance policies *from* [emphasis added] the elderly. Other investors are paying seniors to apply for life insurance, lending them money to buy the policies, and then reselling them to speculators’. These ‘policies are known as speculator-initiated life insurance, or “spin-life” policies’. In other words, while a life insurance company would prefer your decades-old policy to lapse just before you die, speculators are eager to assume the cost of the policy in your declining years in order to collect a bundle. So lucrative is this market for speculators that – and no satirist could conjure this up – ‘In Florida, investors have sponsored free cruises for seniors willing to undergo physical exams and apply for life insurance while onboard’.

Naturally, insurance companies view spin-life as utterly illegal as well as morally ghoulish. However, now that I am well and truly put out to pasture, as dependent as Blanche DuBois was on the kindness of strangers, I can’t help but echo the comments of a Mr Margolis who said, ‘This is a wonderful opportunity to use my body as an asset. I deserve to be able to benefit in some way from my age’.