**Is College Worth It?**

**Subject area/course**: Social Sciences, Macroeconomics

**Grade level/band:** 11–12

**STUDENT PROMPT SECTION**

1. **Task context**:

In their work, economists rely on simplifying assumptions and using basic concepts in order to describe what motivates human behavior, and, in particular, how people make decisions. Three of the most fundamental concepts of economics are the ideas of rationality, marginal analysis, and opportunity costs.

As an application of these concepts, consider one of the major decisions that students face: whether to continue their education by going to college. College is not only a serious financial undertaking, but also an endeavor that can provide a potentially higher lifetime earning power. Within the field of economics, it is assumed that all agents (that is, the decision-makers) make decisions rationally, comparing the marginal cost and marginal benefits of alternative courses of action. However, the inclusion of different costs and benefits might yield different results.

In this task, you will need to use marginal analysis to determine the net benefit of a college education in relation to a person’s final degree level. Begin by obtaining relevant data from the Bureau of Labor Statistics and the College Board. Consider what you will need to know in order to determine the median earnings by education level for high school graduates compared to those who earn associate’s degrees or bachelor’s degrees. Calculate the projected net earnings of these individuals over a 15-year period after they leave high school. Present your findings in a table that you will include in your final paper. Then demonstrate your understanding of marginal analysis by using this data to describe the benefit of obtaining an associate’s degree versus a bachelor’s degree. Finally, extend your analysis by identifying other costs, benefits, or considerations that high school seniors will need to address. (For example, not all students have the same level of parental support.) Include these factors in an additional mathematical analysis.

1. **The task**:

After researching the costs and benefits of college education using data from the College Board and the Bureau of Labor Statistics, calculate the marginal costs and marginal benefits of different levels of college education. Then, write a 2- to 3-page paper that examines the results of students’ decisions about whether to attend college, and how the effects of changes in assumptions might alter students’ decisions.

Your paper should:

* Employ standard English usage and grammar.
* Correctly cite any sources of data used both in the text of your paper and in a Works Cited page.
* Use discipline-specific vocabulary.
* Include a table that presents the calculations performed.
* Use in-text citations correctly and include a Works Cited page using MLA format or another style that your instructor selects.

1. **Materials/resources:**

* Access to the Internet
* A textbook in macroeconomics
* A simple calculator
* Access to word-processing software

1. **Time requirements**:

You will have at least one 50-minute class period to introduce the task, walk through initial calculations, and get your questions answered. You will then have one week to complete the writing assignment.