



## **Financial Advisor Magazine**

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### **Is It Worth The Price?**

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“In a consumer society there are inevitably two kinds of slaves: the prisoners of addiction and the prisoners of envy.” –Ivan Illich

In money-adoring urban strongholds, getting into a good kindergarten is as tough as getting into an Ivy League college. In the last decade, the number of kids taking the ERB (an aptitude test used by many kindergartens) has grown dramatically. The pressure starts early these days for many 5- and 6-year-olds. There’s no time for Junior to be tinkering with Legos when he could be working on his second language studies! There are private school advisors who charge exorbitant fees to help families get their kids into desirable private elementary schools. The consulting fee is on top of the actual tuition, which can run into tens of thousands of dollars. Yes, you read that right, for a kindergarten. Apparently you must start well if you hope to finish well.

Once your child has made it to the top of his kindergarten class, he’ll have the opportunity to attend some prestigious summer camps where his true genius will be educated. He’ll get the opportunity to meet other really smart kids there as well. Increasing numbers of parents are sending their middle school age and above children to academic summer camps to get a leg up in the race toward the Ivy prize.

“Hey, Johnny, are you excited about your three-week calculus camp this summer?”

“Gee, Mom, really! Do I get to!?”

Kids should be warned that they won’t be roasting s’mores at this summer camp. An article in The New York Times described college admission prep camps as: “No campfires. No hiking. Just hours a day of essay writing, SAT preparation, counseling, mock admission interviews and a potpourri of workshops and college visits, all

intended to give high school students an edge on the admission process.”

Long queues of ambitious, wannabe Ivy League parents believe that if there is a magic formula, it involves spending. So they shell out the big bucks for college placement services, SAT/ACT tutors and summer enrichment programs—and ramp up giving to their alma mater, which is always a good move toward influencing the admissions process. Are these prudent investments or a waste of money? It all depends on your goals and what you believe a pedigree will deliver.

Michele Hernandez might be the most expensive college coach in America, charging as much as \$40,000 to get a student into an elite college. In a fast-growing industry, Hernandez is one of the more visible practitioners. She is a divisive figure in an already controversial field, regularly drawing condemnation from admissions officers who say she is selling advantage to the people who need it the least. But these people are buying it because they can afford to and because they believe their children need or deserve a running start in this world to succeed. This is not a hidden phenomenon according to the Independent Educational Consultants Association: almost a quarter of first-year students at private colleges have worked with some kind of consultant.

Hernandez, the poster child for this trend, has some attractive credentials. She wrote several books including: *The Middle School Years: Achieving the Best Education for Your Child, Grades 5-8* (you can't start adding college placement pressure early enough) and *Acing the College Application: How to Maximize Your Chances for Admission to the College of Your Choice*.

Families pay Hernandez as much as they do because she promises not just substitute parenting but parenting in the extreme. She selects classes for students, reviews their homework and prods them to make an impression on teachers. She checks on the students' grades, scores and rankings. She tells parents when to hire tutors and then makes sure the kids do the extra work. She even approves their vacation schedules and plans their summers.

Hernandez says to parents: “You don't want to pay \$180,000 for some piddling school when, by spending a little extra, your kid could get into Yale.” Nothing feels quite as bad as paying \$180K for a diploma from Wanna B.U.

Amy Chua's memoir, *Battle Hymn of the Tiger Mother*, propelled a global debate about parenting, the importance of education and the role of family. Chua, a professor at Yale Law School, is probably one of the most talked-about mothers in the world. The Wall Street Journal published her polarizing essay “Why Chinese Mothers Are Superior,” where she discussed her approach to directing her children's education.

Her kids, Louisa and Sophia, were never allowed to watch TV, have playdates or ever get anything less than an A in school. She chose the instruments they played (piano, violin) and were forced to practice for hours under close watch. If they showed any resistance, she pounced—in one episode calling her daughter “garbage” and in another “pathetic.” The price for not going along in Chua’s system is the withholding of parental approval.

Pulitzer Prize-winning reporter Daniel Golden argues that America, the so-called “land of opportunity,” is rapidly becoming an aristocracy in which America’s richest families receive special access to elite higher education—enabling them to give their children even more of a head start. After two years of investigative reporting and hundreds of interviews with students, parents, school administrators and admissions personnel—a good number of whom risked their jobs to speak to the author—*The Price of Admission* exposes the corrupt admissions practices that favor the wealthy, the powerful and the famous.

Golden names names, as well as grades and test scores. He reveals how children of the rich and powerful were admitted ahead of more deserving applicants at Harvard, Brown and Princeton. He also revealed that Harvard maintains a “Z-list” for well connected but underqualified students, who are quietly admitted on the condition that they wait a year to enroll. Harvard’s dean of admissions was once quoted in the *Crimson* defining “middle-income” Harvard families as those earning between \$110,000 and \$200,000. His estimate is far from the economic reality in the U.S.

Golden tells about a meeting at a New York City private school of high school seniors with their college counselor. The counselor, trying to help them prepare for their college interviews, asked the students how they would respond if they were asked about what special contribution they would bring to the college of their choice. “I’m very outgoing,” said one. “I’m passionate about community service,” said another. The discussion took an unexpected twist when one young man said, “A library.” “What do you mean, a library?” asked the counselor, a little taken aback. “Well, my dad said he’d give a library to whatever school I want to go to.”

Can you and I compete in this world of pay for placement? A society where money talks and the masses genuflect to it? Do you really want to compete for placement with the rich and powerful? Will it make that much of a difference in the life of your child who will someday be an adult in the workplace? In the workplace there will be little interest or weight resting upon the source of your child’s diploma but plenty of scrutiny upon her personal competence, bearing and daily work ethic.

It is not unthinkable to have a bill nearing a quarter of a million dollars, when the tally is done, if you include kinder-prep, summer camps, test tutors, college prep and admissions manipulation. This bill doesn't take into account the college tuition itself. These are only the monetary costs. We have yet to witness the psychological costs upon the driven child. Why do people do it? I suspect that for some it is insecurity, and for others it is their devotion to the secular myth that the right diploma will lead to a fulfilled life.

At what point does a parent step back and ask, "How much do I need to invest in my child's future, and how much pressure should I be exerting?" Are there matters of character and principles we could be teaching our children that will cost less and take them further? Matters like critical thinking, creativity, personal confidence, communication skills, honesty and a desire to make a difference in the world? Give me a 22-year-old that possesses these traits and a diploma from Vanilla State College and you can have the product of push and payment. I have nothing against an Ivy League education (and know many good people who've benefited from one) but we all know it's the person that gets the job done—not the diploma.

*Mitch Anthony is widely regarded in the financial services industry as an expert on building client relationships and has been recognized for his pioneering work in Financial Life Planning. His innovative tools for strengthening client relationships are available through his Advisor Insights™ at [mitchanthony.com](http://mitchanthony.com).*