Legal education under fire from critics

Students, senators wonder if a JD is worth the cost, seek more accurate data

By Don J. DeBenedictis

SANTA ANA - Late last summer, Dean Bryant G. Garth asked Southwestern University School of Law’s newest entering class members if they had a friend or relative share a New York Times article exposing the financial risks of going to law school.

"Every person raised their hand," Garth recalled.

The front-page story last January focused national attention on a rising chorus of complaints by law students that schools had suckered them into taking on huge debt with false promises of six-figure salaries immediately upon graduation.

Those complaints went on last year to spark several lawsuits, new rules from the American Bar Association's accreditation arm and demands from U.S. senators for answers.

"This period has been so distressing," said Susan Westerberg Prager, the former UCLA law dean who now heads the Association of American Law Schools.

Why legal education has come under such fire now is disputed, but only partially. Certainly, part of the answer is money, experts say.

"The economy is the big problem," Prager said.

Over the past decade, competition for new law students - quantified each year in U.S. News & World Report’s rankings - has intensified. But when the economy tanked, jobs for lawyers plummeted, leaving new graduates with high debt and fewer prospects for jobs to pay it down.

"When the market for lawyers is good ... there's less stress in legal education," said Dean Erwin Chemerinsky of the UCI School of Law. "At a time when the market is bad, there's more stress in legal education."

But others say the source of the problems lies deeper.

"I think that law students and the public are starting to take a good, hard look at legal education in this country for the better," said Brian A. Procel of Miller Barondess LLP, who is suing San Diego's Thomas Jefferson School of Law under consumer protection laws. "They're just starting to realize this industry is not being run correctly."

Vanderbilt law graduate and blogger Kyle P. McEntee said his nonprofit, called "Law School Transparency," is exploring a number of alternative models, such as having more classes taught by part-time adjunct professors - practicing lawyers - who would command lower salaries.

Underlying all the complaints is concern over the accuracy of schools' employment data.

Many schools report that 80 percent to 90 percent of graduates have jobs nine
months after graduation, earning a median salary of $160,000. But those numbers can be misleading.

While 90 percent of graduates may have jobs, only 50 percent or 60 percent may have jobs as lawyers. A few schools even have reported as employed graduates hired by the schools themselves at low-paying temporary posts.

And as McEntee and his colleagues have shown, only a small percentage of a school’s graduates may actually earn $160,000. The figure qualifies as the statistical median because only the graduates with good jobs tend to report their pay to their schools - a fact Prager said means employment data is “inherently flawed.”

Further, data from the National Association for Law Placement indicates that from at least 2001 forward, roughly 25 percent of law school graduates didn’t have jobs as lawyers at the nine-month mark. In 2009, the figure was 29.2 percent.

“There just aren’t enough jobs,” Procel said.

Now, law schools are being sued over how they use their allegedly phony employment statistics to attract students. Procel sued Thomas Jefferson School of Law in May. The potential class-action charges that by “misrepresenting its post-graduate employment statistics,” the school has “churned out law school graduates, many of whom have little or no hope of working as attorneys at any point in their careers.” Alaburda v. Thomas Jefferson School of Law, 37-2011-00091898 (San Diego Super., filed May 26, 2011).

A pair of New York lawyers later sued New York Law School and Thomas M. Cooley Law School on similar grounds, and they promise to sue soon 15 more, including several in California.

The uproar also prompted California Sen. Barbara Boxer and two of her Republican colleagues to write letters to the ABA and the Department of Education demanding improvements.

In response to the transparency movement, U.S. News & World Report took steps in 2011 to post greater detail about law graduates’ employment.

The ABA Section on Legal Education and Admission to the Bar, which accredits law schools, is beginning to collect detailed annual graduate employment data directly from schools rather than second-hand from the National Association for Law Placement.

But even that effort generated controversy in the fall when the ABA said it would drop questions for the class of 2010 about how many graduates had jobs requiring bar admission or preferring a law degree. The committee said it would bring back the questions for the class of 2011 but needed more time to thrash out the definition of “preferred.”

Responding to the controversy, some top law schools, such as Yale, Chicago and Virginia, have begun posting detailed employment statistics on their websites.

Critics have latched onto job data because of the high cost of legal education. At Thomas Jefferson, tuition is about $40,000 a year, and the average graduate’s debt is $135,000. Nationally, law graduates’ average debt load is about $100,000, and some new lawyers carry $200,000.

“That’s too much to pay for an education,” McEntee said.

The federal government is on the hook for nearly all of the debt. Since the adoption in 2010 of the Student Aid and Fiscal Responsibility Act, most student loans come directly from the U.S. Department of Education.

These facts worry law school academics. Indiana University’s William Henderson, who studies the legal profession, wrote in an October article that if defaults go too high, the education department won’t have enough money to fund new loans. “In short, the whole system could easily run off the tracks,” he wrote.

All of the bad news has begun to trickle down to potential students. According to the Law School Admissions Council, applications for the 2011-12 school year fell nearly 10 percent, the sharpest drop in a decade.

Even more significant, the number of people filing to take the Law School Admissions Test plummeted 18.7 percent in June and 16.9 percent in October. That number has been sliding since October 2010, when 10.5 percent fewer students applied for the test compared to October 2009. The statistics sadden Prager.
"I actually think one of the tragedies of this is the number of people who are deciding not to go to law school now," the AALS chief said. "I happen to believe that legal education is a great, broad education ... in which you develop skills that are useful in many, many other realms."

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