

McMahon, W. W. (2009). *Higher Learning, Greater Good: The Private and Social Benefits of Higher Education*. Baltimore, MD: The Johns Hopkins University Press.

Review by Beth Nagy

Higher Learning, Greater Good: The Private and Social Benefits of Higher Education provides a thorough review of the benefits of higher education from a modern human capital perspective. The book offers ways to measure the benefits of human capital and explains why higher education plays a lead role in advancing its value in a market-driven economy. McMahon uses economics as the basis for quantifying the public good of higher education in the 21st century, and suggests policies driven by this analysis.

Higher Learning, Greater Good presents the challenges facing higher education policy, advocates for the value of social benefits as an important measure of economic growth, and provides evidence of such value. Each chapter presents a balanced review of an economic policy perspective, citing private and public benefits of a particular economy-driven educational endeavor. Chapters begin with an organized overview and conclude with a succinct review. Sections within the chapters allow the reader to move through each policy topic without losing sight of the main theme. This book is for economists concerned with the valuation of education. It is a worthy read for anyone *seriously* interested in the topic of public versus private funding in higher education.

McMahon convincingly argues that as a nation we are under-investing in higher education, and that information about its nonmarket benefits (both private and social) is not being adequately presented to students, students' parents, or other invested constituents. After clearly articulating the challenges facing higher education in Chapter 1, McMahon outlines the challenges facing higher education policy in Chapter 2. He then, in Chapter 3, discusses the role of higher education in relation to employment, wages, and current skill deficits. Most of McMahon's analysis (much from his own previous research) lies in Chapters 4 and 5, in which he articulates the private nonmarket benefits and the social benefits of higher education. Chapter 6 outlines the social benefits of university research. The author concludes with two chapters synthesizing the debate, and discussing new policies for higher education and for financing higher education, including those that would enable increased state and federal government investment.

Higher Learning, Greater Good presents evidence of private and social nonmarket benefits that have been overlooked: better health, human rights, political stability, lower crime rates, social capital and social cohesion, the generation and adaptation of new ideas, and, ultimately, improved communities. From a community development and community engagement perspective, McMahon provides new measurements of community development efforts for use in democratic, civic, and charitable institutions. He offers measurements that provide new ways of communicating community engagement and social justice in higher education.

Higher Learning, Greater Good is a detailed and thoughtful contribution to education and policy debates. The book is a “must-have” for those participating in the higher education economic debate, regardless of the methodology used to value higher education’s social benefits. For both the professional economist and the professional educator, McMahon presents a thorough summary of the current issues in higher education from an economic perspective.

About the Reviewer

Beth Nagy is an adjunct faculty member in the School of Planning, College of Design, Art, Architecture, and Planning at the University of Cincinnati and a consultant to the Cincinnati Public School Board of Education. Her research interests include the intersections of higher education, community development, and transformational leadership. Nagy earned her bachelor’s degree in urban planning and her master’s degree in community planning from the University of Cincinnati College of Design, Architecture, Art, and Planning, and her Ed.D in Urban Educational Leadership from the University of Cincinnati College of Education, Criminal Justice, and Human Services.

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