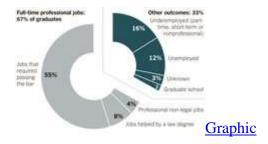
## An Existential Crisis for Law Schools

By LINCOLN CAPLAN

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July is the cruelest month for recent law school graduates. State bar exams <u>next week</u> are makeor-break affairs, determining how many will be allowed to practice law. Those exams once set a graduate on the path to a lifelong career. Not anymore. A huge number of new graduates, if lucky enough to find work, will not be employed in legal jobs that require passing the bar.

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Only 55 percent of 43,735 graduates in 2011 had a law-related job nine months after graduation, said William Henderson of the Indiana University Maurer School of Law, who analyzed recent data from the American Bar Association. Twenty-eight percent were unemployed or underemployed. And at the 20 law schools with the highest employment, 83 percent of graduates were working as lawyers. At the bottom 20, it was a dismal 31 percent.

These numbers are far worse than jobs data going back a generation and should be a deep embarrassment to law schools, which have been churning out more graduates than the economy can employ, indulging themselves in copious revenues that higher tuitions and bigger classes bring in. A growing list of deans acknowledge that legal education is facing an existential crisis, but the transformation to a more sustainable model will be difficult and messy.

The number of law office jobs <u>began to decline in 2004</u>, well before the recession. And demand for new lawyers isn't expected to grow much even when the economy recovers. Outsourcing of legal work to places like India and greater efficiencies made possible by smarter software to search documents for evidence, for example, are allowing firms to cut the positions of multitudes of low-end lawyers. In 2009, twice as many people passed bar exams as there were legal

openings — a level of oversupply that may hold up for years. There is, of course, tremendous need for lawyers to serve the poor and middle class, but scant dollars to pay them.

Law schools have hustled to compensate for these shifts by trying to make it look as if their graduates are more marketable, even hiring them as research assistants to offer temporary employment. But those strategies won't fix legal education, particularly when students are starting to see that a high-priced degree, financed by mountains of loans, may never pay off. The number of people taking law school admissions tests fell 24 percent in the last two years, to the lowest level in a decade. Law schools will be crushed if they don't remake themselves, said Frank Wu, dean of Hastings College of the Law at the University of California in San Francisco. "This is Detroit in the 1970s: change or die."

Hastings, for example, is <u>reducing the number of its J.D. students</u> by 20 percent in the next three years. It trimmed staff jobs to cut costs, and it increased the teaching load of each faculty member by 20 percent to reduce the need for adjunct professors, among other reasons. But Mr. Wu says the school has no plans to cut the size of its full-time faculty or its compensation or tuition — and tuition is an unavoidable problem.

Brian Tamanaha reports in "<u>Failing Law Schools</u>" that in-state annual tuition at public law schools rose to an average of \$18,472 in 2009 from \$2,006 in 1985, and tuition at private law schools increased to \$35,743 from \$7,526.

A lot of money went to raising faculty salaries. With salary and summer pay, the average now is likely close to \$170,000 — and some law professors make \$350,000 or more.

As tuition has soared, so has student debt. Nearly 9 out of 10 graduates have sizable debt, with \$98,500 the average for the class of 2010, or about \$1,200 a month in loan payments over 10 years. Most schools and many students have banked on students' being able to pay back enormous loans with ample salaries, but that flawed model is irretrievably broken.

It will be hard for any school to alter its cost structure without making substantial changes to its faculty and pay, though some schools are earnestly considering two-year J.D. programs and beginning to experiment with more virtual learning in selected courses. Course-sharing among law schools in lecture courses is another cost-saving option.

But in some ways the crisis of law schools goes well beyond the unsustainable economics. Their missions have become muddled, with a widening gap between their lofty claims about the profession's civic responsibility and their failure to train lawyers for public service or provide them with sufficient preparation for practical work.

Some schools are trying to break out of this dead end. Boston's Suffolk University Law School is planning to focus on the justice gap by preparing more students to serve the middle class and poor. At Washington and Lee School of Law in Virginia, the third year is now devoted to practical training. Others have increased courses in negotiation, counseling and other skills. The A.B.A., which accredits law schools, could help by allowing much more experimentation and differentiation among schools — and by being much more skeptical of diploma mills.

This crisis makes it easy to forget that the law attracts pragmatic types, able to handle changed circumstances. And in fact, huge law firms, hot areas of practice and outsized salaries at top firms are fairly recent developments. Law schools need to be pragmatic, too, finding ways to ensure that graduates can afford to take jobs where the salary is less important than the impact.

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