Why making community college free won’t solve the student debt crisis

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Why making community college free won’t solve the student debt crisis

By Mandi Woodruff
18 hours ago

Pursuing higher education in America today can feel something like a Catch-22 — with a college degree, graduates are more likely to be employed and earn more over their lifetime. But as the cost of college rises, so, too, does the amount of debt students have to take on to pay their way through school.

To help solve matters, President Obama put forth an ambitious proposal this year to make two-year community college tuition free for all students across the country, saving them an average of $6,700.

Obama’s plan was inspired by a similar initiative in Tennessee, where state officials made community college tuition free for high school graduates beginning this fall (the first class to participate started classes a few weeks ago). The idea so far has caught on.
But is it fair to expect community colleges to fill the gaps that exist in higher education today? After speaking with community college leaders and reviewing federal data on student outcomes, we found a host of challenges that may pose a big risk to the government’s ambitious plan to make community college free for all.

**Community college graduates take out less debt but have more trouble paying it off**

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<th>Default Rate</th>
<th>Recovery Rate</th>
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<td>Community College</td>
<td>9.6%</td>
<td>50%</td>
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<td>For Profit 2 Year</td>
<td>10.3%</td>
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<td>For Profit University</td>
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<td>Private Non Profit University</td>
<td>2.6%</td>
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Default Rate: % of borrowers in each category who defaulted within 3 years of entering repayment on their student loan. FDIC data.
Recovery Rate: Average % of borrowers across colleges in each category who have made progress reducing the principal balance on their student loan 5 years after leaving school.
Completion Rate: % of student who get a degree from the education type within 150% of the standard completion time (6 years for a 4 year program, 3 years for a 2 year program)
Source: NELS College Scorecard 2015

**Visual by MagnifyMoney**

(Graphic provided by MagnifyMoney.com)

Graduates with six-figure debt loads have colored the headlines following the student debt crisis in the U.S. While the average student graduates with nearly $30,000, half of college students borrow less than $10,000, and it is those who borrow less than $5,000 who have the most trouble making their payments. According to the Federal Reserve Bank of New York, 34% of borrowers with less than $5,000 in loans went into default within two years (missing at least one payment), compared to just 18% of borrowers with $100,000 or more. The reason behind this, researchers note, is that most students with six-figure debt tabs are typically in graduate school and tend to earn much higher salaries than those with a bachelor’s or associate’s degree alone.

“*The less you borrow, the likelier you are to default and that is very much a community college phenomenon,*” says David Baime, a senior policy expert at the AACC, the American Association of Community Colleges.

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Johnny Lozado, 42, is one of many success stories from ASAP, a groundbreaking community college reform program...

program at LaGuardia Community College in 2011 and went on to pursue an Associate's degree in psychology through a special program called ASAP — Accelerated Study in Associate Programs. ASAP, launched by The City University of New York system in 2007, has emerged as one of the most successful community college reform initiatives in the last decade. It relies heavily on a team of advisors who work closely with students to hold them accountable for completing their Associate's degree in at least three years (beginning with mandatory meetings twice per month). They sweeten the deal with bonuses like tuition waivers, career counseling, tutoring, financial assistance for textbooks, and help paying for commuting costs.

"I felt like if I didn’t have that one-on-one advising I would have been lost," Lozada says.

In a study of five groups of students enrolled in ASAP since its launch in 2007, more than half (52%) graduated within three years, compared to CUNY's system-wide average of less than 25% and nationwide average of 16%.

"What we’ve been able to demonstrate is with the right resources and structure we can make an enormous difference in students’ timely graduation rates," says Donna Linderman, ASAP's executive director.

ASAP works because it is tailored to the unique needs of community college students, who are often juggling full-time jobs and families while attending school, offering custom class schedules that can fit around their other responsibilities. Advisors also work with students to transition them into four-year schools. MDRC, a nonprofit nonpartisan education and social policy research organization, gave ASAP rave reviews in an independent study of 900
failed on their student loans within two years, compared to 5% of undergraduate borrowers who attended four-year schools and 2% of borrowers in grad school. Default rates among community college borrowers were even worse than for-profit institutions, which are notorious for charging exorbitant tuition rates.

"The rhetoric surrounding community colleges is false — they are not doing a good job at promoting social mobility," says Judah Bellin of the Manhattan Institute, a nonprofit research group. Bellin authored a new report, published Thursday, which looks at the limitations of community colleges and possible solutions.

Several factors can be attributed to the trouble community college students have in repaying loans. They're more likely to come from low-income families and disadvantaged neighborhoods. Median wages for graduates of two-year schools have also fallen over the last decade, from $30,100 to $25,900, while wages for four-year graduates rose from $47,300 to $48,000 and from $61,000 to $63,100 for graduate borrowers, according to a recent study by the Brookings Institute. But the biggest wedge standing between community college students and post-college success is the fact that they are much less likely to complete their degrees than traditional students. Only 26% of two-year community college students graduate within six years of enrolling and drop out at a rate of 43%, according to Bellin's study. Students are more likely to graduate within six years at both private for-profit two-year colleges (57%) and private non-profit two-year colleges (36%).

With the exception of vocational schools, which offer targeted training in a specific field, a central purpose of community colleges is to provide an affordable launching pad for students hoping to transfer to a four-year institution. With experts predicting that 35% of jobs will require at least a Bachelor's degree by the year 2020, it's never been more vital that community college students make that leap. However, less than 10% of community college students successfully complete their degrees at a four-year school, Bellin found.

Bellin adds that student loan servicers — the companies commissioned by the government to manage federal student loans — could do a better job of informing students of options for income-based repayment plans. "Clearly, inadequate servicing is part of the reason students default," he says. "Another reason is that students will in some cases leave community college without a forwarding address and it's difficult for the colleges to track them."

How to improve the community college system

Johnny Lozada, 42, had always excelled in high school but dropped out in his senior year when he found out he would soon be a father. He did well enough without a diploma, working full-time in office administration for a transportation company.
Lazardo was among them. After earning his Associate's degree in 2013, he completed his Bachelor's in applied psychology at New York University in May 2015. He admits the transition was "daunting" but says "ASAP gave me the skills I needed that allowed me to focus on my studies, buy my books, schedule my classes, everything."

The program is currently being replicated at three community colleges in Ohio, with plans to launch in nine more states. But with such a clearly successful track record, why aren't more school systems flocking to adopt CUNY's model? In a word, money. CUNY spent roughly 67% more per student ($16,300) through ASAP over a three-year period, MDRC found. But Linderman says those costs have significantly lowered as the program has expanded to serve more students. They now spend about $3,700 per student. Thanks to a $77 million investment from New York State and New York City, the program is on track to serve 25,000 students by 2018.

**Vetting community colleges**

Community colleges may not solve every problem facing higher education today, but they are still a valuable option for people who don't feel comfortable jumping feet-first into a four-year school. But just as you would diligently shop around and compare traditional four-year schools, it's important to properly research community colleges before enrolling. We'd start with the Department of Education's (ED) College Navigator, where you can search schools by name and look at their graduation and student loan default rates, among other information. It's not very intuitive to use and you can't compare schools side-by-side easily, but it's better than nothing. ED recently rolled out a new site, the College Scorecard, that lets families sift through schools and is more user-friendly.

Jonathan T. Rothwell, a fellow at the Brookings Institute, recommends using Brookings' "College Value Added Data Explorer" tool, where you can see how schools rank based on how much their graduates earn and how likely they are to repay their loans on time.

"The issue for me with community colleges is there are huge differences across institutions, some that are doing great and some that are consistently doing very badly," Rothwell says. "It's important to check them out."

Mandi Woodruff is a reporter for Yahoo Finance and host of the weekly podcast Brown Ambition. Follow her on Tumblr or Facebook.
Telecommuting works best in moderation, science shows

September 24, 2015 in Other Sciences / Social Sciences

Organizations are increasingly offering employees a variety of work-from-home options despite sometimes conflicting evidence about the effectiveness of telecommuting. A comprehensive new report reveals that telecommuting can boost employee job satisfaction and productivity, but only when it's carefully implemented with specific individual and organizational factors in mind.

A key factor in determining the success of a telework plan, for example, is the proportion of time that an employee works remotely versus in the office.

The report, published in *Psychological Science in the Public Interest*, a journal of the Association for Psychological Science, is authored by leading researchers in workplace psychology Tammy D. Allen (University of South Florida), Timothy D. Golden (Rensselaer Polytechnic Institute), and Kristen M. Shockley (City University of New York).

The report is accompanied by a commentary from Kenneth Matos (Senior Director of Research) and Ellen Galinsky (President and Co-Founder) of the Families and Work Institute.

Despite the popularity of telecommuting, public opinion about its merits tends to be one-sided:

"Our intent is to provide a balanced picture of what we know and do not know based on the scientific findings," Allen, Golden, and Shockley say. "This sort of comprehensive view is essential to aiding individuals, organizations, and public policy-makers in shaping telecommuting practices."

According to Matos and Galinsky, the report "provides a powerful blueprint for practitioners to maximize the positive impacts of telecommuting while minimizing its drawbacks and understanding the nuances of what makes their telecommuting programs succeed or fail."

In their systematic review of available scientific research, Allen and colleagues find evidence that telecommuting is indeed associated with various positive outcomes for employees, including greater job satisfaction, lower work stress, and even improved job performance.

But they also find that these positive outcomes don't hold for all workers in all situations.

"Telecommuting may be most beneficial when it's practiced to a moderate degree," the researchers explain. "Face-to-face time may be particularly important at the start of new projects."

Other important factors include whether employees get to choose if they telework, how much control they have over their schedules, the quality of their relationships with supervisors and coworkers, and the extent to which their work depends on others in the organization.
Exploring these moderating factors is "an essential contribution to the practical discussions of telecommuting," Matos and Galinsky write in their commentary. "In other words, the impact of telecommuting depends on how and where it's implemented."

The research also makes clear that some benefits may come with specific tradeoffs. While telecommuting may allow employees to be more productive, it could also lead to longer work days; it may increase employees' sense of autonomy in their own jobs but could reduce knowledge sharing with colleagues; and it may allow for more flexibility in juggling professional and personal responsibilities but could also blur the boundaries between work and family roles.

Ultimately, the success of a telecommuting arrangement will depend on individual fit, supportive management, and clear communication. When these factors align, telecommuting can be a boon not only to individual employees but also to the organization as a whole:

"Implementing an effective telecommuting plan can help organizations recruit top talent and create a more diverse work force," Allen, Golden, and Shockley note. "And it can also give organizations an advantage in emergency situations, allowing employees to work when public transportation or power outages would otherwise prevent commuting."

With a comprehensive plan in place, the practice is not an incidental employee benefit but rather a reflection of an organization's core values and mission:

"Telecommuting can be part of an organization's strategic way of doing business," Allen, Golden, and Shockley conclude.

**More information:** The text of the full report and commentary are available, free to the public, online at [www.psychologicalscience.org/index.php/publications/telecommuting.html](http://www.psychologicalscience.org/index.php/publications/telecommuting.html)

Provided by Association for Psychological Science
Deutsche Bank Hires Goldman’s Celeste Guth for FIG Banking

Michael J. Moore
September 24, 2015 — 12:14 PM EDT
Updated on September 24, 2015 — 12:47 PM EDT

Deutsche Bank AG hired Goldman Sachs Group Inc. veteran Celeste Guth as co-head of its global financial institutions group.

Guth, who was a partner and vice chairman of FIG at Goldman Sachs, will be a managing director based in New York and run the investment-banking unit with Tadhg Flood, Deutsche Bank said Thursday in an e-mailed statement. She’ll report to Paul Stefanick, head of investment banking coverage and advisory.

Financial mergers and acquisitions rose this quarter to the highest volume in eight years, according to data compiled by Bloomberg. Frankfurt-based Deutsche Bank is the eighth-ranked adviser on deals involving financial companies this year, while Goldman Sachs is first, the data show.

Guth spent 29 years at New York-based Goldman Sachs and in 2002 was named a partner, the firm’s highest rank. She became head of FIG in the Americas the next year, a position she held until 2012. She advised many large insurance companies, according to a Goldman Sachs memo announcing her departure.

Guth has a bachelors degree in economics and computer science from City University of New York and an MBA from Harvard Business School, according to the statement.
Solarize Brooklyn To Host Two Final Workshops On September 24 And 29

By Donny Levit on September 24, 2015

Brooklyn Community Board 6 is helping residents and businesses go green — and saving them money while doing so.

CB6 is offering two final workshops that will discuss a group purchasing program for solarizing both residents and businesses.

The goal of the program is to lower the cost of "going solar" by 10-20% of the regular cost, and is a collaboration by Sustainable CUNY, the NY Solar Partnership with New York Economic Development Corporation, and the Mayor’s Office of Sustainability. The neighborhoods for this program include Park Slope, Gowanus, Carroll Gardens, Cobble Hill, the Columbia Street District, Gowanus, and Red Hook.

In the workshops, you’ll have an opportunity to:

- Learn how the Solarize Program works and how much solar could save your household or business on its energy bills.
• Meet Solarize installers EcoMen Solar and Quuxotic Systems.

• Ask questions to the partner installers and get answers on specific considerations for solar at your home.

• Sign up to receive a free, no-obligation site assessment.

At the workshop you will also be able to sign up for a site feasibility study and consultation.

The two remaining sessions are:

**When:** Thursday, September 24, 6:30-8:30pm  
**Where:** Old First Reformed Church, 729 Carroll Street (at 7th Avenue)  
RSVP here.

**When:** Tuesday, September 29, 9:30-11am  
**Where:** The Roof at Whole Foods, 213 3rd Street (at 3rd Avenue)  
RSVP here.
Opinion: Stock investors haven’t been this bearish in 15 years

By Mark Hulbert
Published: Sept 25, 2015 5:01 a.m. ET

Pessimism is a bullish sign, contrarian analysis suggests

Record low levels of bearishness
"Purified" version of the Hulbert NASDAQ Newsletter Sentiment Index

CHAPEL HILL, N.C. (MarketWatch) — Bearishness has reached an extreme not seen at least since the top of the Internet bubble in early 2000.

Yet this is a bullish omen, according to the inverse logic of contrarian analysis: Extreme levels of bearishness indicate that there is a very robust "wall of worry" for the market to climb.

These at least are the conclusions that emerge upon analyzing the average recommended equity exposure among a subset of Nasdaq-oriented market timers (as measured by the Hulbert Nasdaq Newsletter Sentiment Index, or HNNSI). Since the Nasdaq responds especially quickly to changes in investor mood, and because those timers are themselves quick to shift their recommend exposure levels, the HNNSI is the Hulbert Financial Digest's most sensitive barometer of investor sentiment.

What particularly stands out about the latest HNNSI readings is not that it's low, though it is. What's noteworthy is that its current level is a lot lower than where we would otherwise expect it to be, given the market's recent action.

Investing for income with rates stuck at zero

(4:17)
Priscilla Hancock, the global fixed income strategist at JPMorgan, makes the case for municipal and high-yield bonds but warns that investment-grade corporate bonds could face headwinds.

Credit for analyzing sentiment from this perspective goes to David Aronson, a former finance professor at Baruch College
in New York who now runs a website, TSSBSoftware.com, that makes complex statistical tests available to investors. He refers to what emerges from his approach as a “purified” version of the sentiment index, and reports that this adjusted version has a markedly better track record than the unadjusted one.

Right now, Aronson told me in an interview, the purified HNNSI is at the lowest level ever since data became available in early 2000. In fact, the purified HNNSI is now significantly lower than where it stood in August; that’s noteworthy because — as I wrote at the time — the raw, unadjusted HNNSI was already at the lowest level in five years. But, Aronson explains, those low August readings were not as remarkable as they otherwise seemed, given the stock market’s turmoil in prior weeks.

Just the reverse is the case with the current reading, which indicates an even more extreme level of bearishness.

The extreme bearishness we’re now experiencing suggests that the market will pass its retest of its late-August low.

To be sure, the purified HNNSI’s record low doesn’t guarantee that the market will immediately rally. As Aronson also points out, sentiment often will hit its low before the market does. So, even if contrarian analysis is ultimately right about the current market, it could still be that the correction’s ultimate low is ahead of us.

But, on the assumption that contrarians do get it right, the extreme bearishness we’re now experiencing suggests that the market will pass its retest of its late-August low.

Click here to inquire about subscriptions to the Hulbert Sentiment Indexes.

More from MarketWatch
My Lunch With Shkreli: What We Should Learn From Pharma's Latest Monster

Matthew Herper, FORBES STAFF
I cover science and medicine, and believe this is biology's century.

FOLLOW ON FORBES (2031)

You already hate Martin Shkreli, the bratty former hedge fund manager who raised the price on a drug to treat infections in AIDS patients by 5,000%. Now it’s time to get to know him.

I’m not saying you should get to know Shkreli because you’ll like him in the end. You might hate him more. He is very smart, but also callow and possibly sociopathic. (He prefers “iconoclast.”) Yet much of what has been written about him this past week is unrecognizable. He’s not a bro or some big time executive but a small player with tons of bluster who took Wall Street’s ideas about drug pricing to their frightening extreme. He became a target for derision not because of what he did but because he
was so cartoonishly easy to parody, essentially fouling the cover-up. Other companies have jacked up prices just as much as his firm, Turing, with no consequences other than soaring stock prices. Hillary Clinton’s reforms? It’s unlikely they’d make a difference. Shkreli, by the way, is unrepentant, and says he thinks he’s a great CEO.

"I care more about patients than anyone," Shkreli told me yesterday. "I care more about drug science than anyone you can point at. I love this business and I love science and I hold my yardstick to that. I know I’m helping patients. That’s all I need to know."

I first met Shkreli when he was 27, over branzino at a noisy midtown restaurant near the office of his hedge fund, MSMB Capital. I remember thinking that he looked like a teenage vampire from some 1980s movie, pale and thin. He bragged about all the "high-end hires" he was making. "I’m definitely not
a fly-by-night hedge fund manager," he said. Okay.

Listening to that tape again, I can hear that he was working hard to craft his rags-to-riches story. "When you're from New York City, a lot of interesting things are possible," he told me. The son of Albanian immigrants, he'd graduated New York's elite Hunter College High School two years ahead of schedule and met Jim Cramer, who was then still at his hedge fund, Cramer Berkowitz. "Jim interviewed me and he asked me what I did, and I said I played guitar," Shkreli remembered. "And he asked me to come and play guitar to prove it. And I played all these wedding songs and I started working at Cramer Berkowitz's hedge fund March 1, 2000, when I was 16."

Jim Cramer wants no credit for that hire. He tweeted on Monday:
"@MartinShkreli was never my protégé, and anybody who said that is dreaming."

Recommended by Forbes

Shkreli convinced an impressive bunch of investors to back his first biotech company, Retrophin: the former executive team of drug giant Schering-Plough, now part of Merck, including CEO Fred Hassan, a legendary turnaround artist, and Hassan’s protégé, Brent Saunders. At the time, Retrophin was going to be based on drug technology to combat muscular dystrophy.

“The only person I needed affirmation from was Fred Hassan,” Shkreli told me during our first meeting. “So I asked them do you
think I can do this? They said you must do this. We really want you to do this.”

Saunders, who is now the chief executive of Allergan, says that the team chipped in to help Shkreli buy the technology, but lost interest as Shkreli changed his focus to drug pricing. Saunders and another former Schering executive, Robert Bertolini, say Shkreli listed Saunders as a member of Retrophin’s board of directors on the company’s web site without, in Saunders’ words, “my consent, knowledge, or permission.” Bertolini says Saunders was furious at the time, but Shkreli claims that Saunders agreed to be on the board but never finished any paperwork.

Saunders now says Shkreli’s recent pricing decisions actions are “egregious” and adds: “I think Martin is a really smart guy who has a lot of potential. [But] this is like a hedge fund strategy. It’s just purely about making money.”
Shkreli doesn’t get it.
“That’s called being a bad friend,” says Shkreli. “I’m very disappointed in Brent. The guy helped me found my first company. It has nothing to do with him being uncomfortable about pricing. He just doesn’t want to hurt his pretty career.”

**Why Rare Disease Drugs Are Expensive**

Martin has a gift, I learned in that first meeting, for explaining one of the harsh realities of the drug business: unless treatments are very, very expensive, patients with very rare diseases, like cystic fibrosis and muscular dystrophy, will likely get no help at all. It’s a choice between high prices and suffering.

Shkreli told me the story of a classmate of his at Hunter who died of cystic fibrosis. “We could sort of watch his decline,” Shkreli said, “which was remarkable because we were all watching our ascensions... You
remember when he could play in gym class, and then he wasn’t allowed to anymore. You remember when he could walk, and you had to watch him not be able to walk anymore. This was sort of a tough thing to watch so that sowed the seed.”

At that time, Vertex Pharmaceuticals was about to introduce a drug called Kalydeco that dramatically improves the symptoms of patients with cystic fibrosis. “One minute you’re thinking I might not live until next year, and the next you’re not even coughing anymore,” Roe Van Epps, one of the early patients to take it, told me. It only works for patients with a specific genetic mutation, and it costs $300,000 a year.

Rare disease drugs have a different economic logic than any other medicines. Their makers work hard to make sure that patients who can’t pay get the medicines for free, and that those who are hit with high insurance copays are
helped with those. In return, they negotiate hard with countries and insurance systems to get paid for the medicine for as many patients as possible. This strategy is highly profitable because the medicines are valuable.

Take one of Shkreli’s favorite companies, Alexion Pharmaceuticals, another top-performing stock. Its drug, Soliris, can cost $700,000 per patient per year, and treats two diseases, one in which the body destroys its own blood cells, and another where it eats away at the kidneys. As one patient put it on Reddit, “This drug has changed my life.” Most medicines get the bulk of their sales in the U.S., because drug prices here are higher. But only 1/3 of Soliris patients are in the U.S. The rest are split evenly between Europe, where most countries have single-payer systems that are fussy about drug prices, and, even more amazingly, the rest of the world, where there are price controls.

Shkreli insisted that medicines at these high prices could be worth it. And he was utterly convincing. “I literally look at it as is the buyer getting a good deal,” he said. “That is the only question I care about.” The average muscular dystrophy patient costs society $400,000 per year, he argued. An effective drug that cost $300,000 a year would be a steal.

But what Shkreli didn’t seem to grasp is that rare disease companies are forgiven their high prices because they invented something wonderful. To him, if it was a fair price, it was a fair price, whether you spent years of cash and sweat and tears on a drug or bought a generic that was cheap and widely available and jacked the price up because you were for “modern pricing.” If you could get that expensive price for something that had already been invented, maybe years or decades ago, why not do it?

Well, because it would strike almost anyone outside the pharma bubble as wrong. But Shkreli was not one to care.

**Jacking Up Prices**

Buying an already marketed drug and increasing the price
offered Shkreli a way to jumpstart Retrophin, giving the company revenue and possibly earnings that could fund his research.

The drug was Thiola, an old treatment for a rare kidney disorder. Retrophin increased the price of the medicine 2000%, from $1.50 to about $30. "In the real world — not the 1% bubble of Wall Street — patients feel drug price increases directly or indirectly," wrote Benjamin Davies, a physician at the University of Pittsburgh Medical Center. Derek Lowe, a pharmaceutical chemist, wrote on his widely followed blog that it was "the most unconscionable price hike I have ever seen."

Shkreli claims the opposite is true. Low drug prices, he says, leave doctors and patients struggling to get government resources for science. CEOs don't even know that they own the medicines, or discontinue making them. Raising the price guarantees the supply of the drug, leads companies to go out looking for patients who need it, and spurs investment in research and development to create more medicines. The fact that he profits doesn't change this. "I don't see any loser in any of this," Shkreli says now. "I don't see any loser in that situation."

Without evidence patients are being harmed by cheap drugs, it's probably right to view this as a crass justification. But Shkreli was initially good at selling the message. When a Reddit thread ignited about the price increase, Shkreli seemed to win converts. "We make sure absolutely no one has a hard time affording their medicine," he wrote. "We have people dedicated to this job, which is why we need a higher price (to hire said people)."

This strategy has been certainly been great for Retrophin — the stock is up 300% in two years. It's been great for other companies that came before it, too. Questcor Pharmaceuticals raised the price of its drug, Acthar Gel, from $40 to $28,000 a vial. The reward? It was one of the best-performing stocks in America until Mallinckrodt bought it for $5.6 billion last year. Valeant Pharmaceuticals has done big price increases on numerous drugs. The stock's up 740% over five years and its
founder, Michael Pearson, is a billionaire. Only Shkreli has drawn the American public's rage.

**How To Make Enemies**

If you want to understand why the guy is so widely hated, start with the fact that he's no longer chief executive of Retrophin. He was ousted last October, reportedly for “stock irregularities.” That's why he's currently operating out of a new company, Turing Pharmaceuticals, which has raised $90 million. It was at Turing that he gave us his repeat performance, raising the price of the toxoplasmosis treatment Daraprim from $1.50 to $750 and set the internet on fire.

“Ousted” is putting it mildly: in a $75 million lawsuit filed against him, Retrophin alleges that Shkreli improperly used the company as a personal piggy bank to try to pay off people who felt they'd been ripped off by his hedge fund. Shkreli says the allegations are untrue and that Retrophin doesn't want to pay him severance he is owed. Which would be believable if he didn't keep getting into trouble.

Newsweek investigative reporter Kurt Eichenwald says Shkreli is under criminal investigation for his behavior at Retrophin — and has a giant target on his back because of his drug-pricing escapades. The government’s theory, Eichenwald writes, is: “If there was money, Shkreli took it. If there were facts to be revealed, Shkreli hid them. If there were securities laws, Shkreli broke them.” Gawker obtained an affidavit from a former colleague of Shkreli’s at Retrophin who alleged that not only had Shkreli threatened him, he had stalked his family, telling the man’s wife: “I hope to see you and your four children homeless and will do whatever I can to assure this” and later sending her text messages that said, “Hey, sweetheart.” Gross.

That behavior matches Shkreli’s Internet persona. He’ll Tweet vulgar quotes from Wu-Tang Clan and Eminem songs, and he helped ignite the current controversy by calling John Carroll, the editor of industry news site FiercePharma, a “moron.” Shkreli
claims he doesn’t care what the media or the public thinks, but he has an almost pathological need to respond to what is said about him, and lacks the good sense, so ingrained in most chief executives, to know when not to talk.

He’s finally gotten most of the drug industry, which takes lots of price increases but rarely so big and not on decades-old drugs, to speak out on predatory pricing practices. PhRMA, the drug industry trade group, says of Turing: “We do not embrace either their recent actions or the conduct of their CEO.” BIO, the lobbying group for the biotechnology industry, kicked Turing out.

“Do not confuse the new flood of hedge fund managers masquerading as pharmaceutical executives, taking advantage of the biotech bubble as anything close to the pharmaceutical industry,” Joseph Jimenez, the chief executive of Novartis, told me when I asked about Shkreli. “They are taking advantage of inflated biotech valuations. In the end, their shareholders will be left holding the bag.”

Jimenez also warned that people like Shkreli “may do real damage to the industry” and that “patients are the ones who will suffer.”
If they really want to contain the damage Shkreli caused, executives need to work harder to come up with their own methods of explaining and justifying drug prices, as IMS executive Murray Aitken proposed at last year’s Forbes Healthcare Summit. Leaving it to the political process is dangerous.

Although maybe not. Richard Evans of Sovereign & Sector, a former Roche executive and longtime industry analyst, says there’s probably nothing in Hillary Clinton’s proposals on drug pricing that would have prevented Shkreli from executing his price increase. Allowing importation of drugs from outside the U.S. might help, but companies can just limit supply, forcing countries to decide between U.S. patients and their own. And Clinton’s plan to limit patients’ out of pocket drug costs to $250 a month? Evans and I agree that would be a dream come true for pharma, losing one of the biggest points of real leverage that insurance companies have.

There are things in there that might lower drug prices. Tax laws that demand companies spend on R&D might hurt Valeant, but not Turing. Giving Medicare some ability to negotiate drug prices could control costs. But even that might not stop a Shkreli. When there is only one maker of a lifesaving treatment, Medicare cannot easily say no. Right now, the main pressure on drug firms who are jacking up prices is public shame. Shkreli proves how ineffective that is: he’s promised only to lower a price where his company will make a slim profit, meaning he’d be able to use it to fund his operations indefinitely.

“I’m not a politician,” Shkreli tells me. “I don’t have to win a popular vote contest. That’s called being an iconoclast. You prioritize your compass over others, and your conviction that the compass is correct in making the world a better place. I don’t care about the way the media portrays me as long as I can keep doing my job.”

Whether Shkreli can keep doing his job with a giant target
painted on him is an open question. But for those who are politicians, his words should be a reminder of how powerless they might be.
3 P.M. (FX) FLIGHT (2012) It's hard to take your eyes off Denzel Washington as Whip Whitaker, a crack airline pilot who manages to land a plane — at one point flying it upside down — after catastrophe strikes during a storm in this thriller from Robert Zemeckis. But Whip's life takes a nose dive when an inquiry reveals his lust for drinking and drugs, and suggests that he may not have been sober during his heroic feat. “He's high as a kite, and you may be, too, lifted by the contact high that great filmmaking gives you,” Manohla Dargis wrote in The New York Times. She added: “It's no surprise that 'Flight' has salvation in mind. The shock is how deep Mr. Zemeckis and Mr. Washington journey into the abyss and how long they stay there. It can be tough for stars to play such unrepentantly compromised characters, as Mr. Washington does brilliantly here.”

8 A.M. (CUNY) TIMES TALKS Michael Cooper, the classical music and dance reporter for The New York Times, interviews Peter Gelb, the general manager of the Metropolitan Opera; the soprano Anna Netrebko, who stars as Leonora in “Il Trovatore,” starting on Friday; and the director Bartlett Sher, whose blackface-free “Otello” just opened the Met’s season. “Arts in the City,” at 10, remembers Jackie Collins, who died on Saturday, with an interview from this month in which she talked about her new book, “The Santangelos.”
Bones in South African cave reveal new human relative

September 24, 2015 by Ben Shoichet

The discovery of a new human-related species, named Homo naledi, has thrown the evolutionary biology world for a loop.

The bones were found in Rising Star cave outside Johannesburg in 2013, deeply buried in a series of tunnels that stretched for miles.

Researchers at the University of the Witwatersrand, the National Geographic Society, and South Africa's...
nalédi to discard of its dead, as scientists behind the discovery argue, it shakes up theories about the "birth of consciousness". This new species of humans is probably the most primitive one but despite having a brain as big as an orange, there was a burial ritual for the dead. The torso of this species is like an ape and the size of the brain, as mentioned earlier, is considerably small.

The bones were found by a spelunker, and represent at least 15 individuals.

CU Denver associate professor of anthropology Charles Musiba said at a press conference the adults and children found in the cave were members of the genus Homo – but were very different from modern humans.

"Intentional disposal of rotting corpses by fellow pinheads makes a nice headline, but seems like a stretch to me", says Stony Brook School of Medicine anthropologist William Jungers.

Age of the fossils is a mystery; however, it is expected that they could be over 2.5 million years old.

"This chamber really gives us a window of understanding our past, beginning to gain more knowledge about our present moment and also gives us an insight of what our future could look like", said Cyril Ramaphosa, African Deputy President. Researchers were confident that we'd know more in the coming days and months.

Eric Delson, of Lehman College in New York, estimated that the *Homo Naledi* belongs to a group of early *Homo* beings from nearly two million years ago.

However, some scientists do not believe there is enough evidence, yet, to be able to say for sure that this is definitely a new species.
John Henrik Clark 100th birthday celebrated at Medgar Evers College

Cyril Josh Barker | 9/24/2015, 12:54 p.m.

Medgar Evers College

In honor and memory of John Henrik Clark’s 100th birthday, Medgar Evers College, CUNY, wants to raise awareness about Clark’s numerous contributions, as well as introduce him in his own words.

The centennial celebration will be hosted by the Department of Mass Communications at Medgar Evers College Saturday, Oct. 10 from 2 p.m. to 7 p.m. at 1650 Bedford Ave. in the Founders Auditorium in Brooklyn. Special appearances and speakers include his widow, Sister Sybil Williams-Clarke; the widow of Ivan Van Sertima, Jackie Van Sertima; Dr. Leonard Jeffries; Randy Weston; and Christopher Williams from China via live stream.

The documentary, “John Henrik Clarke: A Man Beyond Time,” will also be shown.

For more information, email crawford@mec.cuny.edu or kdiallo@mec.cuny.edu, call 718-270-5140 or go to www.sankofaworldpublishers.com.
Leap to Teacher program for paraprofessionals

PUBLISHED SEPTEMBER 25, 2015

The Joseph S. Murphy Institute for Worker Education at CUNY is offering the Leap to Teacher program for paraprofessionals interested in continuing their higher education. Leap to Teacher is a program that enables paraprofessionals working for the DOE to pursue their education further and advance their careers in teaching or any other field of study. Students can enroll in the undergraduate (bachelor’s) or graduate (master’s) programs.

The institute will hold open houses in the Bronx, Brooklyn, Queens and Staten Island throughout the fall and winter.

For more information, see the flier »