Thomas Cooley Law School Exposed (and Why Much of the Legal Profession is a Scam)

**Summary:** I like Thomas Cooley graduates and the students who are going there. The students are not the problem. Let me tell you what is really going on with this law school.

I'm going to entertain you with stories of bribes, prostitution, drugs, alcohol, self-serving and an out-of-control bureaucracy. In addition, these stories will involve both me and a certain law school. This may end up being one of the most scandalous articles you have ever read, and it may get me sued. I've been holding onto this material for too long, and I might as well share it with you.

However, that comes later and, before I do, I want to talk a little bit about Thomas Cooley Law School. This fourth tier law school has been in the news lately due to a bunch of layoffs. According to some estimates, between 50 and 70 percent of the faculty at the law school have been let go. While it has taken decades for the word to get out, law students have figured out that attending this school is not likely to get them very far in the legal profession. Instead, it may lead to long-term relationships with collection agencies and lawyers trying to collect a debt the students may never repay.

I've seen companies make MILLIONS by loaning Thomas Cooley students money, so I am uniquely positioned to educate you about the extent of the scam going on there.

After realizing that many students simply were no longer applying for admission, the law school issued a press release in July:

As with most law schools across the country, Cooley Law School's enrollment and revenue have continued to decline while health care and legacy costs continue to rise. Despite ongoing cost control efforts, the school can no longer avoid the financial imbalance between the revenue and expenses it faces. As a result, the Cooley board of directors and administration are instituting a financial management plan to reduce expenses significantly and right size the organization.

The plan will help the school remain at the forefront of innovative approaches to legal education and continue to deliver the broad, high-quality access to legal instruction students have come to expect from Cooley. It demonstrates the school's commitment to maintaining its high level of academic excellence and support for current and future students.

The plan includes:

- Faculty and staff reductions
- A system wide review of each program for capacity and quality
- A review of all campuses and facilities to reduce and re-balance costs
- A review of all purchases, travel and other expenses

The Thomas M. Cooley Law School has a history of making transformative decisions in response to its students' needs, while remaining financially strong. This aggressive financial management plan is designed to ensure that Cooley can continue its outstanding academic program while preparing for its next steps in the 21st century.
Prior to this, the school also decided that it would close one of its campuses to new students because it had not received enough applications. I am personally shocked all of this took so long. For example, if I opened a school called "The Charles Manson School of Law," the world would understandably be shocked by the name and its reputation. If I admitted almost every applicant, charged the students $40,000+ per year to attend with the students' knowledge that they were unlikely to ever get a job, it would be great! I would hire a bunch of professors and try to grow the school. All the while, I would be saying to myself:

- "Are these people freaking crazy?!!"
- "Wow! Let's build a new building and increase tuition even more."
- "Holy crap! Let's open a campus in Florida. Then we can travel down there when it's cold in Michigan."
- "LOL! We just got ABA accredited again! I cannot believe the government is subsidizing all of these student loans!"
- "What? We got 1,100 applications for the professor job we advertised here. We must be doing really well! It certainly does not have anything to do with the fact that attorneys hate practicing law and teaching here is so easy. With so many applicants, I don't have to hire a Thomas Cooley graduate to teach our students. I'm thinking I might hire someone from Harvard!"
- "On second thought, screw hiring a full-time professor. I'm going to hire two adjuncts for $2,000 a semester to teach one class each. That will save us a ton of money and give us more money to hire more administrators to give people like me less to do so I can go to Florida with my family!"

Thomas Cooley Law School is located in Lansing, Michigan. It has close to 2,500 students, making it the largest law school in the United States. It accepts 80% of the people who apply there. Students are in the 23rd-percentile of LSAT takers. Zero percent of the graduates of the school get federal clerkships, and 1% or less of the graduates get jobs with large law firms. (See [The Real Reason There Are Fewer Law Firm Jobs (What No Attorney Wants You To Know)](https://www.lawcrossing.com/)

To fulfill the promise (or lack thereof) these statistics hold, Thomas Cooley charges an astonishing $46,500 per year. With room and board, books, and other expenses, students can anticipate the annual cost-of-attendance to be an astonishing $65,154!

As a preliminary matter, I want to be very clear that I find NOTHING wrong with the fact that most of the graduates of the school do not go to large law firms or get federal clerkships. Providing graduates to the world to service a wide variety of people (the poor, accident victims, people with marital difficulties, petty criminals) is a noble pursuit. Not every law school can aspire to send people to work on Wall Street. For all I know, Thomas Cooley graduates may be much happier overall in their careers than graduates of a school like Columbia Law School. While my problem with Thomas Cooley will become more apparent below, the issues I have are related to the fact that the school has become a bureaucratic business reflecting the same type of paralysis as the automobile industry near it. The similarities are palpable. While some people prey on senior citizens, the poor, or the rich, Cooley preys on law students.
Layoffs and consolidation at Thomas Cooley Law School are not a surprise to me at all. I have dealt with this school in the past, and a large part of my career has been dedicated to helping the FLOOD of new attorneys that this school sends out into the market (it is the largest law school in the United States). Graduates are spraying out of there as if from a fire hose. I've met Thomas Cooley graduates:

- At the movie theater in Malibu, California
- On airplane trips to the Middle East
- In restaurants in Orlando, Florida
- On a cruise ship in Alaska

I'm not even that social. It still seems every other person I meet is a Thomas Cooley Law School graduate.

I like Thomas Cooley graduates and the students who are going there. The students are not the problem. Let me tell you a little bit about what is going on with this law school...

- **Most of Thomas Cooley's students come from Michigan and the surrounding area.** I'm from Michigan! I respect this.
- **They generally come out of middle, to lower-middle class backgrounds.** Their parents did things like sell cars, work in factories and work as contractors. The students generally do not have anyone to advise them about attending law school. The students will be able to identify and sympathize with a wide variety of people when they get out of law school and start providing legal services to the general public. I respect this.
- **The students generally do not have anyone to counsel them about the ways of the world.** Because of their families' backgrounds, many of the students feel that becoming an attorney is a social step-up. It is better than doing something like selling cars because it is more "respectable." However, most do not realize they probably would make more money selling cars than being an attorney. If you grow up on a working class street with $85,000 homes in Michigan (which many students do), and tell your neighbors you are going to law school to become an attorney, they are "blown away" and think you must be as smart as Einstein. If your dad works on an assembly line building Jeeps in Hamtramck (making $110,000 a year), he is going to be very proud that you are going to law school. I respect this.
- **The students are all motivated, however, and want more out of life than their parents had.** Many of the students I have met from there came out of single-parent households (I came out of a single-parent household too!). If your mother was a single hairdresser who struggled to raise you and your siblings, never remarrying because she was too busy taking care of you brats, you are going to want a
better life with money, a spouse, and stability. Thomas Cooley will offer you everything you imagine and the promise of a great future. Most students do not have anyone, or anything, to fall back on. I respect this.

- **Most of the students borrow large amounts of money to attend law school.** They trust that the “system” that gives them hundreds of thousands of dollars in loans for their education will be worth it. They will have a life of prosperity. Many “brag” about how they are going to get multi-million dollar settlements when they become attorneys, buy big boats, and cruise around the Great Lakes. I find this sad, but … I respect this.

- **The students are also interested in trying hard.** These are not kids who are partying all the time. They generally take their education and law school experience quite seriously. It is all they have. They are making the most of their opportunity. I respect this.

- **The students view being an attorney as an important job.** They do not understand the rigorous and also unreasonable expectations employers have for attorneys. It almost brings tears to my eyes because of how much these students respect the legal profession. I respect this.

- **The students are generally hopeful (at first).** When students enter this law school, they are under the impression that if they work hard and continue following the rules of society they will succeed. I love hope. I respect this.

- **The students are generally not the highest-testing students.** This is a mean thing to say, and I do not mean they are dumb. They just generally are not the most intelligent law students out there. They want an education and have not thought through how crappy Thomas Cooley is. Many may have gone to community colleges while working and have done the best they can. Their grades may be poor due to this. They also may not have been able to spend thousands of dollars on courses preparing for the LSAT, and this could explain their lackluster performance. I respect this.

While there are a lot of ways one could discuss Thomas Cooley Law School, on a macroeconomic level here is what is going on.

First, the school is easy to get into. You can graduate from a crappy college, do horribly on your LSATs and still get admitted. Thomas Cooley Law School gives people a second chance. If you went to Michigan State and got your undergraduate degree in six years while living in a fraternity house and smoking dope every day, there is hope! You can go to Thomas Cooley Law School and be an attorney! Now you can be a respectable and productive member of society. Who cares if you are a screw up? It does not matter.

Second, the school initially grew by taking advantage of the naiveté of (mainly) people around the Midwest, like me, who saw their parents’ and others’ lives devastated by the decline of the manufacturing industry. All around Michigan and the Midwest, there are towns where the property values have drastically declined, and people have been doing their best to hold on to jobs for decades.

While there certainly are still pockets of prosperity, most people do not understand what a great power the manufacturing industry in Michigan was for decades. In fact, just a generation ago—40 years ago—Michigan and Detroit were much like Silicon Valley is today. There were tons and tons of jobs. There was incredible innovation, and the products coming out of this region were driving the economy of the United States.

Unfortunately, when the manufacturing industry started going away, in the early 1980s, the people remained. They still needed jobs to survive. The children of the former factory workers, automotive company clerks and blue collar workers could no longer follow in their parents’ footsteps. The best thing to do: Become a lawyer! And what better law school for these people to attend than Thomas Cooley? If you are working class and do not know the difference in the value of law schools, then this is how it works. A lawyer is a lawyer, right?

When I was applying to colleges, I applied to just a few. My first choice was the University of Chicago (because I felt comfortable there, and the people were nice to me when I visited). My second choice was Harvard (because my father had gone there, and I knew its reputation). My third choice was a tie between the University of Hawaii (at Manoa!) and the University of Michigan. I was accepted into all these schools except Harvard. I applied to Hawaii because I figured "college at a state school is college at a state school!" I applied to Michigan because all of the smart students in my class wanted to go there. I only applied to Chicago because my dad told me about it. If had been in a middle class family and did not have a father who was savvy about educational matters, I think I might have gone to the University of Hawaii. That would not have been good for me. That is the same thing a lot of people do with Thomas Cooley because they do not have someone like my father in the background telling them what to do.

Third, the student loan system is screwed up. If I want to borrow $200,000 today and go to a bank, it
would probably take me at least a couple of months to finalize the transaction. I will need to document my income.

Then, the lenders will check my credit score.

They will want to know what I do for a living, how long I have been doing it, and whether my job is secure at my current employer.

- They will check to see if I have ever been arrested for anything.
- They want to make sure I have money in the bank to cover the payments if I lose my job.
- Then, they will want to know how much my wife earns.
- They will ask if I have been married before. They may want to see my divorce settlement.
- They will check to make sure I am not involved in any lawsuits that will impair my ability to make loan payments.
- They will certainly ask for my tax returns for the past three years.
- They may also check another database to make sure I do not have any serious health conditions.
- If this all goes well, a manager of the bank may even request to meet me before signing off on the loan. If he does not like me, the loan will not be approved either!

This process will likely take weeks.

How hard is it to get a $200,000 loan? If I have one late car payment, or something similar, the odds are very, very good I will be denied. In fact, I would estimate that over 85% of Americans could not get a bank to loan them $200,000 without some form of collateral (e.g., a home!) to secure the loan.

Not so with Thomas Cooley Law School. Just about all of their students will be approved for a loan! No one cares if you are going to get a job or pay it back. All Thomas Cooley cares about is getting its $200,000! That's what matters.

How does this lunacy operate? Well, it has to do with the United States government guaranteeing a lot of the loans and lenders with complex statistical models they apply to see who is likely to repay and who is not. I am not going to go too much into how this works, but it takes into account things like college majors, quality of colleges, areas where the students grow up, race, sex and other factors. None of this is discussed openly, of course, not even among the banks in high-level meetings. They just want to get paid back, so they have all sorts of models for deciding whom to loan money to.

Fourth, law schools like Thomas Cooley become very entrenched bureaucracies after awhile. I want you to think about and really understand what is going on here. It is a large law school in a state that is very depressed economically. Law professors, administrators and others move to Lansing, Michigan, and start their lives there. They have jobs, and they want to keep them. Over the years, when things are going well, administrators and faculty members will demand more and more staff (so they can do less work). Given all of this pressure, the school capitulates and hires people. Expenses grow, tuition increases and people get comfortable in their relatively isolated lives in this college town.

Unlike other schools like Michigan, Northwestern, and Chicago that are around Thomas Cooley, the faculty there is under far less pressure to publish. In fact, what happens is they become comfortable and actually want to work less and get paid the same amount as faculty at major law schools. Thus, irrespective of their qualifications, a lot of effort goes into lobbying for higher wages.

While I do not want to get too deep into this, the atmosphere at Thomas Cooley became a bureaucracy more concerned with itself than the students or the mission.

- Size was no object because students continued enrolling.
- Price was no object because the government and others were willing to loan students money.
- Prestige did not matter because (1) students kept coming and (2) the government kept loaning money.
- More students meant more staff, so more people needed to be hired and tuition had to be increased.

On a sociological level, much of this was driven by a declining auto industry and manufacturing sector, and children of these working classes wanted to become something different. In this case, Thomas Cooley stood out like a piece of fool's gold beckoning people with promises of riches and prestige that were unlikely to ever come.

Now, I must point out something that is very important. The real people getting rich off Thomas Cooley are the high-paid faculty members and staff who otherwise might not even have jobs.
That's right. Many people working and teaching at Thomas Cooley might not even have jobs were it not for Thomas Cooley. Do you know what it takes to be a law professor? I've been one. I got a job as a law professor only two years out of law school. However, when I was a law professor, I had already worked at two highly prestigious law firms. Most law professors have never worked in a law firm! In fact, working in a law firm before becoming a law professor is something that is LESS LIKELY TO GET YOU HIRED TO TEACH! I know this sounds hard to believe, but it is quite true.

For the most part, law professors would not do well in the practice of law.

- They do not have the skills necessary to get clients.
- Most get too caught up with many ideas. This is not something clients are willing to pay for.
- Most would not work extremely hard in a law firm or corporate environment and really are more into taking it easy.
- Most are not extremely motivated and unlikely to do well in a competitive environment with sharp attorneys elbowing them out of the way.
- Most are kind of “dumpy” and a little run down - not the sort of person that a corporate client (or jurors) are going to enjoy looking at during trials.

I've been a law professor, so I am not knocking the profession! But (1) if you are not the smartest fish in the pond, (2) you have all of the negative characteristics of most law professors above, (3) you have not published much, and (4) the only thing you have is in Lansing, Michigan - YOU SURE AS HECK ARE GOING TO WANT TO DO EVERYTHING YOU CAN TO PROTECT IT AND KEEP THE GRAVY TRAIN ROLLING.

Who cares if the degree is meaningless? I need to feed my family, and there is nothing else I can do!

That is exactly what happened with Thomas Cooley Law School.

Several years ago, I was in the student loan business consolidating and originating student loans for attorneys. I was working with a company that had recently been purchased by a huge finance company, CIT. While I did not know it at the time, the company I was dealing with was soon to be disgraced. They were involved in basically bribing schools to provide students with as many loans as possible.

I received a friendly phone call from a higher-up with the company, and they told me to spend some time with someone from the financial aid office at Thomas Cooley Law School and the career services office. I was told that this trip was to “see how I did” and “whether they thought I could ‘pick up’ on the game.” I was told that this particular client represented “eight figures” (i.e., $10-million+) in securitization business each year (this means the value of the loans once they are packaged and sold off), and that I should do the best possible job.

I took a flight to the school the night before and went into my scheduled meeting early the next day. When I got to the office of the financial director, he seemed quite nervous, and I could not put my finger on why. All around his office, there were pictures of him and the CEO and other top management of the student loan company I was working for playing golf, racing Formula One cars, standing in seersucker suits at polo matches, holding mint juleps, and doing all sorts of fun stuff.

I knew the CEO of the student loan company quite well. He made millions of dollars a year and spent his time doing things like taking private jets to parties on remote beaches in Mexico with other industry bigwigs. He would not be spending time with a law school bureaucrat unless this was enormously profitable for him.

It was during my meeting with the financial aid person that everything started coming to light, and I understood how things were working.

When the career services office person came in, we had a discussion that astonished me. She told me that basically, beyond the salaries of the few people in the career services office, there was no money in the school's budget for any other fees for career services. There was some construction going on around the school, so I wondered where the money for this was going to come from.

Going into the meeting, it was also suggested to me that it would be a good thing if I could give away various services to the career services office. While I would have done this regardless of whether student loans were involved (and still do-for example, LawCrossing is free for law schools), I was told by the director of career services in no uncertain terms that she did not want any of my services.
"But I can get your students jobs!" I told her. I've been helping a decent percentage of your class get jobs each year. Let me help them! I have over 300 employees researching the market and legal jobs. We spend tens of millions finding ways to help them get jobs quickly. We can help your students."

The career services woman seemed to think I was on her team. I am pretty confident she was already aware that there were kickbacks happening between the student loan people and others in the financial aid office. I think some of them were her friends.

"Listen, I am going to level with you since I know what is going on here. No administrator is going to use any service that is going to threaten their job. As long as the students rely on me and the people in my office to get jobs, I have a job. If something threatens that stability (like LawCrossing and Legal Authority), I could lose my job."

"But then fewer students will come to you, and you will have less work," I told her.

"No, then students will all tell the dean they got a job through one of your services and not me. That will hurt me and the people in my office."

So we went back and forth like this for awhile, and I got nowhere. I was told to follow up with some information and a phone call and promised my proposal (FREE JOB SEARCH SERVICES FOR THOMAS COOLEY GRADUATES!!) would be considered. However, ultimately it was not. I was interfering with the bureaucracy that was DEDICATED TO KEEPING THE STUDENTS NEEDING THE STAFF and keeping the students down in the process.

About 1:30 p.m., the financial aid director took a call. He was whispering and sweet-talking, and his demeanor changed a bit.

"Ok, I'll be there in a few minutes, Babe!" he said.

I did not ask any questions about who it was.

"Look at the time," he said. "I think it is time for a beer...Let's go to an Irish sports bar...." He sort of made this suggestion without making any eye contact whatsoever. He pushed around a few papers on his desk, and I followed him out of the building while a bunch of serious-looking students shuffled around the school with backpacks full of books or sat in study groups in the school's beautiful lobby.

It was a fall day, and it was sunny, crisp and clear outside. I jumped in my rental car and followed him to the Irish pub. When we got there, we sat down at the table and a waitress came over. She knew him by name and was friendly.

He asked me what kind of beer I liked, and I told him I did not care. He ordered us two large pitchers of some foreign beer. Within 20 minutes after arriving, both pitchers were empty.

After we had been there a few minutes, I noticed a guy dressed in a very expensive suit seated at the bar. He was quite polished, very well groomed and appropriate in all respects. He came over to us, and the financial aid director knew him. The financial aid director went to the bathroom to get rid of his first gallon of beer, and the guy leaned over to me.

"I'm sorry I did not call you last night. I was out with him until 1:00 a.m. How is it going? Everyone in San Diego and New York is very excited about your meeting today."

"Who are you?" I asked.

"I'm with the bank," he told me."My job is basically to make sure he is happy and gets whatever he wants."

I could not believe it. I spoke to this guy a few more times throughout the evening and got enough detail to learn he was from New York, had gone to some prestigious business school and was making a ton of money by keeping the gravy train rolling. He had been in Lansing for over six months.

The financial aid director got back from the bathroom and was buzzed. "We need to get steaks, cigars and martinis later!" he announced to the business development guy from the bank.

"I'll make reservations!" the business development guy said.
At some point, a very attractive woman in her late 20s arrived. Before she came to the table, I saw her talking to the business development guy at the bar. They appeared to be talking business. When she came to the table, her entire demeanor changed. The financial aid guy moved over, and she sat next to him. He started touching her, talking into her ear, and he was having an exceptional time in all respects. She was largely reciprocating his affections.

After this had gone on for several hours, the financial aid director announced that he needed to go home and have dinner with his wife and children, but he would return soon for our steak dinner! Since the financial aid guy was quite inebriated, the business development guy had moved to our table and appeared to be watching things closely.

"Let me pick you up at the house for dinner," the bank guy announced. "You're going to have a few drinks when you're home, right?"

"Good idea!"

When he left, the woman and the business development guy again took on serious tones with each other and turned into all business. I noticed that they had been just sipping their drinks very slowly most of the night, pretending to "party" but not really doing so. They were now planning the rest of the evening. I believe it was a Tuesday or Wednesday. They appeared to be working together. I got the distinct impression that this woman was being paid to be the financial director's girlfriend.

"You ok with all this?" the bank guy asked me.

"Yes, but I have a lot of work to do for the bank. If I take a flight home tonight, I can work tomorrow. If I go out to dinner with you, I will miss the flight."

"He's already plastered anyway. If you leave tonight, it should be fine. We'll keep things going."

I left that night.

So that was my encounter with Thomas Cooley Law School. I called the career services woman a couple times after that, but never heard back from her. I really liked the financial aid guy. He probably never imagined the depths of depravity his job would lead him to. I never heard from the guy from the bank again either.

What was going on there is the problem. This activity was being paid for by the students who just wanted to graduate from law school and get a job. Incredibly, the entire system was conspiring against them in a shocking way.

- The school actually was preventing its students from getting jobs.
- A bank was getting favoritism for giving out student loans by corrupting a financial aid officer (who was a willing participant).

On yet another level, the school was perpetuating all of this due to an economically depressed state and a society of working class people who did not know any better.

There are lots of Thomas Cooley Law Schools out there. I think people have finally woken up to this, but it sure as heck took a long time.