

PDA White Paper
September 11, 2005
HIGHER EDUCATION

INTRODUCTION

Higher education in the United States is a public benefit: institutions of higher education have historically played an important role in serving the nation. Today, like many other elements of our society, higher education is under stress, with rising tuitions, growing barriers for low income and minority students, and increasing privatization of public institutions. Conservative anti-tax/anti-government ideology has taken its toll as states struggle to fund their public universities and community colleges. At the same time, the open academic environment and academic freedom have become increasingly vulnerable to commercial pressures, attacks on science, government security measures and occasional right-wing political monitoring of individual faculty members.

PART I: STUDENT ACCESS AND FINANCIAL AID

Private or Public?

“Higher education” or “postsecondary” institutions include both the public and the private, the not-for-profit and the for-profit, schools that are religious-affiliated and those that are secular, those dedicated to job training and those that focus on liberal education, community colleges, state university systems, small liberal arts colleges, and elite research universities. All are part of the national mix and address a range of needs.

College and university education is as important as ever to our citizens. The aspiration for higher education is more of a mass phenomenon in the US than in many other developed countries. (Indeed many critics believe too much emphasis is placed on a the four-year bachelor’s degree and that other kinds of training opportunities should be more encouraged and available.) To the individual student, a college education can mean personal growth and exploration, a chance for upward social mobility, an opportunity to contribute to society, good job training, or some or all of the above. Collectively, Americans look to our universities to provide educated citizens, skilled workers, breakthroughs in science and technology, economic development, and solutions to various social problems. This is a tall order, given the ever-shrinking state of the public resources dedicated to education.

Over 90 percent of Americans believe that every high school student who wants a college education should have the opportunity to have one. Two-thirds think that the state and federal governments should invest more in higher education. In 2003 over 60 percent of

recent high school graduates were enrolled in postsecondary institutions.¹ The demand for the limited number of spaces in increasingly expensive colleges and universities is expected to continue to grow in the next decade. Yet despite their faith in the importance of a college education, the vast majority of Americans also believe that families should pay the main cost of a this education. In recent years more emphasis has been placed on tuition, and college costs have been rising steadily with levels of aid not keeping pace.

At the higher education level, the demarcation between public and private is less clear than at the K-12 level, with over half of US students at the postsecondary level enrolled at private schools. Yet most nominally “private” institutions receive substantial public funding through student financial aid, federal research and training grants and other sources. It is therefore reasonable to expect them to honor certain public responsibilities and obligations such as serving underserved student populations.

At the same time, with cutbacks in state budgets and difficulties in raising revenue, the funding mix at public institutions has become notably more private, with growing reliance on tuition and corporate support. For example, at the University of California, state funds dropped from 37 percent of the institutional budget in 1990 to 23 percent in 2004. State funds for all public institutions dropped from 46 percent of current revenues in 1981 to 36 percent in 2000.² This year Congress reduced overall spending on higher education by more than \$11 billion. As the funding mix at these schools becomes more private, despite the best of intentions, there is often less institutional energy devoted to meeting public needs. For example there is often more competition for students who can actually pay tuition, and a greater level of responsiveness to commercial pressures in teaching and research. Unglamorous remedial English and math courses may be shunted off to the lowest-paid teaching assistants or outsourced to community colleges. As overall funding declines, classroom populations explode and more undergraduate teaching is passed on to temporary faculty and teaching assistants. Fields of study deemed marginal may be eliminated or combined with distant institutions, limiting educational diversity and opportunity.

The growing privatization of public institutions and the current fashionable anti-government ideology have caused many Americans to lose sight of the important public purposes of higher education. It may indeed be a private good, but it is also a public benefit. It is time to restore the balance.

¹ Zusman, Ami, "Challenges Facing Higher Education in the Twenty-First Century" for *American Higher Education in the Twenty-First Century: Social, Political, and Economic Challenges*, edited by Philip G. Altbach, Robert O. Berdahl, and Patricia J. Gumpert, second edition (Baltimore: The Johns Hopkins University Press, 2005).

² Zusman, "Challenges..."

Recommendation #1. We need to present a clear and powerful case for the *public* aspect of higher education. Public higher education institutions must receive adequate public funding for their core teaching and research missions. In the past, the Morrill Act, establishing land grant universities; the GI Bill; and the National Defense Education Act, for example, have supported higher education for public purposes. With this in mind, it is time to explore the creation of ambitious new initiatives to make higher education accessible to all our students, and to train them for the challenges of the coming century—turning away from the war focus, and exploring new ways to use our ingenuity in international relations, peace making, economic development, and environmental technologies.

Who Will Have Access?

An increasingly diverse population is striving for education. According to the National Center for Education Statistics, college enrollments will increase 11 percent nationally between 2003 and 2013. This rising demand occurs in the context of a changing student pool. A larger proportion of these students than ever before are low-income, older (over 25), and are from ethnic minorities. In some states there will be many immigrant students with limited English proficiency. Many of these students require more aid and more institutional support. Most of all, low-income and limited-English students need access to high quality K-12 education. In many states, public universities have been successful in working with K-12 schools in developing college preparatory courses and in helping channel underrepresented student populations toward higher education. Some of these activities have been truncated in states that are facing budget crises.

As budgets shrink, many competitive four-year schools have lost interest in supporting remedial classes. According to Ami Zusman:

Many private institutions and some public ones will have a seller's market, allowing them to become more selective. More institutions may "leverage" financial aid funds by directing more of their limited dollars to relatively well-off, tuition-paying students. Enrollment caps, increased selectivity, and targeted admissions may create what has been described as a "cascading" effect, where higher-income or better prepared students take the place of students who otherwise would have been admitted, who in turn enroll in those institutions one step "down" in selectivity, until those at the bottom have no place to enroll.³

³ Ibid

The change in the student population mix is occurring at the same time as a backlash against affirmative action. For example, both California and Washington have passed voter initiatives barring consideration of race, ethnicity or gender in admissions and financial aid. Despite the close 2003 Supreme Court decision regarding admissions at the University of Michigan Law School, affirmative action is under threat nationally, and students of color face a less welcoming environment at many schools than they have in the past. Yet our national good requires that we find appropriate educational opportunities for all.

Recommendation #2: PDA should take a strong position urging that colleges and universities strive for a student population that looks as much as possible like the general population of US in terms of race, ethnicity and gender. If this cannot be achieved through outreach to low income students in general, or through other kinds of recruiting, traditional affirmative action approaches should continue to be retained. In our present society and world an all-white (or even white and Asian) student body is not acceptable. Higher education institutions should continue to work with K-12 schools in student preparation and in opening opportunities for underrepresented student populations.

Student Aid Shortfalls

Lack of money remains the biggest barrier to higher education for students. Rising tuition in the increasingly privatized public institutions creates a barrier to low income students. In the last 25 years, state and federal financial aid has shifted away from grants and away from need-based support in general. Federal support has moved definitively toward loans, increasing from 50 percent to about 70 percent of federal aid. Twenty years ago, the maximum Pell Grant funded about 50 percent of the average cost of tuition, fees, room and board at a four-year public university. This year, the Pell grant covered only 36 percent of those costs.⁴

Federal loans are given in two different forms: the Federal Family Education Loan Program (FFELP) which is a government guaranteed loan program, with the government providing financial incentives to banks that provide student loans. The other program, the Federal Direct Student Loan Program (FDSL) the government provides low-interest loans directly to students and then uses their interest payments to help cover the program's costs. The direct loan approach provides student loans significantly more cost-effectively than the government guaranteed program.

The growing use of private indebtedness to finance higher education has serious consequences for students—and for the country:

⁴ Report of the Center for American Progress, "Getting Smarter, Becoming Fairer: A Progressive Education Agenda for a Stronger Nation." 2005.

1. Diminished college access for some populations. Low income students are not in a position to take on major debt.
2. Disincentive for service careers. Recent graduates who might otherwise go into teaching, social work, or other public service, are often compelled by debt to seek higher-income positions.
3. Delay of marriage, family and home ownership. Debt makes it more difficult for students to make long-term plans.
4. Reduced ability to save for retirement and for their own children's education. ⁵

Recommendation #3 : All students with the interest and ability to pursue higher education should be able to attend a four-year college or university, or an appropriate technical school, regardless of ability to pay. This should be the goal of progressive education policy. In the meantime, at the minimum, given our current very imperfect system, funding for Pell grants should be increased so they cover at least 50 percent of the average costs of tuition and fees and other expenses. Improvements should be made to federal financial aid programs to ensure that taxpayers' investments are used efficiently to maximize benefits for all students, preferably supplementing need-based grants primarily with *direct* student loans.

PART II: OPEN INQUIRY AND ACADEMIC FREEDOM

Academic freedom continues to be strongly supported in the United States. It is a value that is shared and understood by most Americans. Especially at the college and university level, it has substantial support—even from conservatives. In most institutions of higher education, faculty play a role in governance and in the protection and monitoring of academic freedom.

That being said, openness and academic freedom face greater challenges today than at any time since the McCarthy period in the late 1940's and 1950's. Libraries and student records are subject to new levels of scrutiny under the Patriot Act. International students, particularly from the Middle East, face bureaucratic obstacles and sometimes outright barriers to study in the US. Conservative interest groups such as David Horowitz's Students for Academic Freedom and the David Project monitor individual faculty and solicit reports on lack of "objectivity"—in the name of academic freedom and balance. State and federal legislators discuss new ways of monitoring academic researchers who work in such fields as climate change, international studies, embryology, and stem cells. The predominance of industry in setting the research agenda sometimes leads to distortions, bias and publication restrictions. Added to all this, the uncertain job market

⁵ TICAS, the Institute for College Access and Success, <http://ticas.org/>

and economic insecurity make students more fearful of experimentation, more practical and less willing to take on economic or intellectual challenges.

Recommendation #4: PDA should speak out forcefully for academic freedom and openness and oppose efforts to monitor faculty or course offerings from state capitols, Congress, or the offices of District of Columbia “K” Street enterprises. (It should be made clear that academic freedom includes the freedom of those with whom we disagree.) PDA might consider appointing a standing committee to monitor academic openness and make further recommendations for action, perhaps coordinating with such organizations as the AAUP and the ACLU.

CONCLUSION

America’s institutions of higher education remain remarkable in their diversity, intellectual strength and commitment to openness. These are opportunities that should be accessible to all Americans, not a privileged elite. The democratizing of access to our universities will only strengthen and improve education. Harnessing the intellectual energy of our universities for enlightened public ends will strengthen our country.

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