8-11-2011

Our Universities: Academic Welfare

Walter V. Wendler
Southern Illinois University Carbondale, wendler@siu.edu

Our Universities: Academic Welfare

Walter V. Wendler, Director of the School of Architecture. Former Chancellor, Southern Illinois University Carbondale

This piece, in nearly identical form, appears on the author's website http://walterwendler.wordpress.com/.

Chicago State may be in the hot seat right now, but it joins swelling ranks of universities nationally. Famished for enrollment, working to preserve jobs and status, the yoke is transferred to the backs of ill-informed students and families. So much of this is carried out under the smugness of good intentions and opportunity. Toying with people's dreams, ambitions, aspirations, and money, is dangerous.

Universities must take responsibility for screening students who are borrowing money for college. Tell the truth. Give potential students the odds. "With these high school grades, this test score and class rank, the probability of finishing the degree at this university is 30%. There is a 70% chance that you will have to pay back any loans you take out for school from a high-school graduate's salary, rather than a college graduate's salary, and there's no bankruptcy that will allow you to get away from them." Then let people make informed decisions.

Mike Riggs, on Reson.com, August 5, 2011 writes, *"These subsidies are kind of like propping up the auto industry with cash for clunkers, or the housing industry with cash for first-time buyers," ... "We have this financial aid system that is keeping the system alive."*

Students are borrowing money at record rates to attend college.

Yes tuition and fees have risen dramatically. Yes universities may not be doing enough to reduce costs. Yes university executives are handsomely paid in most cases, and significantly overpaid in others. Yes the increase in executive pay far exceeds the increases in faculty and staff pay. Yes, payrolls at universities are growing in response to patronage and other forms of malfeasance. Yet, not one of these yeses causes students to borrow money to attend college.

Students borrow money to attend college because they want to, and because it is available. The forces that contribute to increasing cost are not all under the control of university leadership.

There are ways to economize and achieve goals: enroll in a technical school or community college; subscribe to online courses; attend institutions deemed to be less prestigious and less expensive; and graduate with lower debt, maybe no debt at all; leave with a degree or certificate that will crack open a door, and then prove ability and value in the workplace so that an employer might pick up the tab for the next phase. These are economic decisions that cannot be made without regard to individual financial and academic circumstances.

Universities often provide a form of welfare. Low-cost housing is available to students. Day care is provided. Food is cheap on meal plans. All students need to do is enroll to have access to student loans, with new loans available every year, so long as they don't leave the university community.

Pressured to maintain enrollment, many institutions allow students to remain on campus with grades that do not meet a reasonable standard of progress. It is sad that the National Collegiate Athletic Association requires steps toward academic progress for student athletes that may exceed general university requirements for satisfactory performance.

Universities and lenders alike may have convinced themselves of the beneficence of their actions. Maybe not though - many in the extended community are not buying that argument. When lenders see the opportunity for bankruptcy-proof loans at above market interest rates, the profit motive may overpower the motive of public service, and the social agenda of producing more college graduates for jobs. Jobs in fields that provide little promise of gainful employment and self-sufficiency are being married to suffocating debt loads.

The sole purpose of attaining a degree should not be the utility it provides for a person to earn a living. However, uncollateralized education loans are reminiscent of the housing loans that ravaged the economy in the name of "opportunity." It is not the role of government to provide each person a decent place to live, but, instead, to ensure their right to pursue one, likewise, it cannot be the role of government to provide a university education to all.

To lend to those incapable of attaining a degree or to allow students to continue to borrow when the chances of success approach nil is indefensible without a "buyer beware" warning. The travesty being played out in a recklessly managed lending environment will haunt people for the rest of their lives. Ask anyone who has an "underwater" home mortgage… was that opportunity a gift or an albatross?

Vast multitudes of people own "underwater" education mortgages too, in the name of opportunity.

Students under subsidy are in triangular collusion with universities and lenders to gain access to resources that will never yield fruit.

This ugly partnership of deceit must be addressed through academic standards that honestly incorporate the probability of a student's ultimate success; otherwise a grievous abridgment of the public trust is created.

The return on investment of a college education, as opposed to mere college attendance, is the real question. Making decisions about who is qualified to borrow money needs to be central to the responsibility matrix of university leadership, not an afterthought.