

## WHY FREE COLLEGE MAY NOT SOON HAPPEN – AND MIGHT NOT BE THE MOST PRESSING CHALLENGE

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Long ago we entered an era where a college diploma is necessary for upward mobility and global competitiveness – a period when the social and economic benefits of education beyond high school are beyond doubt. This sentiment is voiced by Americans from diverse backgrounds and socioeconomic classes, and echoed by politicians from both parties. Nevertheless, this widely shared premise has not spurred very many bipartisan comprehensive policy plans to further college access and affordability.

An idea gaining momentum is to provide free tuition at community colleges, plus free tuition at in-state public colleges and universities for families whose income falls under a certain threshold. Democratic candidate Hillary Clinton proposed this during her presidential bid. Now that Republican Donald Trump is president and the GOP controls the U.S. Congress along with many state governments and governorships, many observers assume such an ambitious spending plan is off the table. Yet the national conversation about free college appears to be continuing. In April of 2017, Senator Bernie Sanders introduced new legislation, called College for All, that would make public colleges and universities free to students with family incomes below \$125,000. And the state of New York is considering legislation that would provide free public college education to in-state families. Clearly these are proposals that have traction.

But is the cost of attending college really the main barrier to unlocking the documented benefits of higher education? In reality, the challenge and policy solutions may be more complex.

### Free College Proposals

The idea of “free college” is not new – and was actually favored by President Truman in 1947. The recent revival was sparked by President Obama in 2015 when he proposed America’s College Promise – a \$60 billion plan modeled on Tennessee’s free community college program of the same name. Obama’s proposal stalled in Congress but became a touchstone of Senator Sanders’ presidential bid and, ultimately, part of the 2016 Democratic Party platform.

GOP candidate Trump portrayed Clinton’s version of free college as just another big ticket, big government giveaway that the country could not possibly afford—a wasteful bailout for the under-performing, outmoded higher education sector. Among fiscal conservatives and Trump’s disproportionately non-college supporters, this was all they needed to hear.

In advancing her “free college” plan, Clinton faced serious road blocks that shadowed her failed effort at healthcare reform in the 1990s. For years that failure was used by her opponents as exhibit A of big government run amuck. The 2010 enactment of the Affordable Care Act helped to partially redeem Clinton as a politician ahead of her time. During the 2016 campaign, Clinton

pressed Trump on college issues by pointing to the Trump University swindle, but she still had difficulty making her own positive case for government action on college expenses, in what would be a colossally complicated and hugely expensive undertaking.

## **Rising Costs versus Declining College Completion**

Is the college cost crunch crucial? The answer is yes, but with a very important qualification. Although the sticker cost of college is a daunting barrier for many students, especially for poor students, it is also true that there is an enormous amount of misinformation about the “real” cost of college. The details appear in William Bowen and Michael S. McPherson 2016 book, *Lesson Plan: An Agenda for Change in American Higher Education*. Using data from the College Board, they document that 61 percent of college students graduate with some debt and that the average debt per graduate is around \$26,000.

Digging deeper, they show that 39 percent of indebted graduates owe less than \$10,000 and another 28 percent owe between \$10,000 and \$25,000. Only four percent of students owe more than \$100,000. These data may surprise readers who have relied on anecdotal news articles and misleading documentaries. Bowen and McPherson suggest that the affordability problem might well be “overblown” and that there are bigger issues like college completion that need to be addressed.

## **Completion Challenges – and Their Causes**

Although the financial and social benefits of a college degree have never been greater, earning a degree is as hard as ever. Students take too long to graduate, if they graduate at all, since 50 percent never do. Nationwide, only 60 percent of students graduate with a bachelor’s degree in six years, while half again as many earn an associate’s degree in eight years. The “melt” at community colleges is particularly worrisome since the sector enrolls 40 percent of all students, including high percentages of low-income (44 percent) and racial and ethnic minorities (30–50 percent).

Why do students struggle to graduate? There are many reasons, but two stand out. The first is a lack of college readiness. Between 30–40 percent of college students must take remedial coursework in college; twice as many in community colleges. This adds time and expense – and frustration – since the credits do not count toward a degree. The second is the lack of information and guidance. Research shows that sound information and wise counsel can make the difference between a good college choice and a bad one, especially for first-generation college students, for racial and ethnic minorities, and for poor students – that is, the very students most at risk of academic and financial hardship and who face the greatest challenges in accessing the information they need to choose the right school.

## **Conclusion**

Where does this leave us? Although free tuition is likely to remain a popular political rally cry, Congress will not soon remake all of federal financial aid. Meanwhile, states and colleges can and will experiment, not just with financial assistance, but also with efforts to help more students actually complete their degrees.