The Federal Role in Postsecondary Education

“A Brief History of Everything You Ever Needed to Know About That – And Some Thoughts About the Future”
Federal Postsecondary Policy -- the American Way

In the beginning

There Was A Constitution

Tenth Amendment

“The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people”
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- And thus,
  - Education, not being mentioned in the constitution was not a federal responsibility

- In fact, American higher education was not initially a state responsibility

- It was an elitist system, designed to educate an elite class, “as it should be.”
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- Mid-century (that would be 19th century) brought a new thrust
  - Driven not by constitutional responsibility, but by Federal interest and national need
  - The Land-Grant Act of 1862
    - To address *a national economic imperative*
  - Began the move toward a meritocratic system of higher education
    - Best and brightest of all classes
    - Scholarships for the most able
  - To What End – economic development
Broad access became a “public” goal in the mid 20th century.

- Began as Economic Development
  - GI Bill
  - NDEA
- Became Egalitarian with Great Society (HEA of 1965)
  - Beyond federal interest to federal responsibility – equal opportunities to life, liberty, and the pursuit of happiness (Imbedded in the 14th Amendment)
Access the American Way

- Federal Movement toward Egalitarian Policy
  - Need based aid – EOG to BEOG to Pell

- Matched by National Movement toward Egalitarian Policy

  - Geographic access
  - “as free as possible” – low tuition
  - Need based financial aid – with federal incentive
  - Community College Movement
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Fifty Years of Incremental Creep

- Initially HEA was real clear
  - Goal was clear – financial access
  - Strategy was clear
    - Grants for the most needy
    - Loans for the less needy
    - Nothing for the non needy
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Fifty Years of Incremental Creep

- Initially HEA was real clear
  - And it worked
    - Enrollment increased dramatically
  - Or did it
    - Radical increase at state level at same time
    - Dreaded DRAFT provided another enrollment driver
  - Let’s say it worked
The first wave of reform – MISAA – the Middle Income Student Assistance Act

- Espoused Goal – Expand opportunity to middle class
  - No evidence to support/ Strong evidence to oppose
  - Did it work depends on perspective
- Actual Goal – Politically popular idea
  - Did work on authorization side
  - Not so much on appropriations side
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The second wave of reform – Middle Income at the expense of the most needy

- Loan Expansion
- Over Pell Grants
The **third** wave of reform (*part one*) – Program Improvement

- Direct Lending
- Improved accountability (SPREs & Default)
- Mixed Bag on Results

The **third** wave of reform (*part two*) – Even more for the middle class

- Tuition Tax Credits (on top of a bunch of other tax benefits that crept in)
- Merit madness @ the state level
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The **fourth** wave of reform – Pell, Pell, and more Pell

- More is Better and Never Enough
- Deregulation fosters innovation

- Effectiveness
  - Depends upon perspective
  - From my perspective – huge failure
Access to Success

And Affordable, to Boot

But Affordability for All Stakeholders
(Not just students)

the Movement of the New Millennium