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## **Bush's Next Target?**

### **The president may use the renewal of the Higher Education Act as an opportunity to attack colleges for high costs and dropout rates**

By STEPHEN BURD

Washington

George W. Bush has had little to say about higher education since he became president. His silence on the subject has led some college leaders and lobbyists to complain that his administration is not interested in the needs of colleges and students.

But that may be about to change -- and not in a way that will please colleges.

The White House is considering having Mr. Bush, as part of his re-election bid, issue a scathing critique of higher education early next year. Under that plan, the president would use his bully pulpit to demand greater accountability from colleges, just as he made reforming the country's public schools a central plank in his presidential run in 2000, according to several sources with knowledge of the plan.

As part of that effort, President Bush would accuse colleges of closing the doors of higher education to students from low- and middle-income families, by making it unaffordable. The president would also reprimand colleges for allowing too many students -- especially low-income and minority students -- to drop out and remain without the skills and knowledge they need. In addition, he would question the quality of education that most students receive.

Ultimately, he would ask: Why should students pay so much, when many of them get so little in return?

The sources caution that the White House has not yet settled on a strategy and that administration officials are still trying to determine whether being tough on colleges will have popular appeal. Officials at the White House and the U.S. Education Department declined to be interviewed for this article, saying it is too early to talk about their plans.

Still, it is an ideal time for such an attack. As one of its top priorities next year, Congress will consider legislation to renew the Higher Education Act, the law that governs most federal student-aid programs. The government provides more than \$60-billion in grants and loans each year to help low- and moderate-income students pay for college. Extensions of the law, which are known as reauthorizations, occur every six years.

Over the last several months, Republican lawmakers who are in charge of drafting the higher-education legislation in the House of Representatives have been providing a preview of what may come. The

lawmakers, who have been working closely with the White House and the Education Department, have begun holding hearings on the reauthorization, and they plan to introduce a series of bills this summer and fall that will lay out the administration's key themes, including holding colleges more accountable for the performance of their students and curbing tuition increases.

To many college lobbyists and leaders, the tone of the debate on reauthorization so far has been alarming. "There's a higher level of mistrust of higher education than I have ever witnessed," says Jon W. Fuller, who recently retired after a 30-year career as an advocate for private colleges, most recently as a senior fellow at the National Association of Independent Colleges and Universities.

Some education experts think that beating up on colleges could backfire on the administration. "Any dramatic increase in the federal role in quality assurance in higher education would have to be preceded by a groundswell of public support for such action," says Thomas R. Wolanin, a former Democratic Congressional aide who helped manage the reauthorization of the Higher Education Act in 1980, 1986, and 1992. "I just haven't seen any evidence of that."

In fact, a national poll of public opinion on higher education, conducted by *The Chronicle* this winter, found that 91 percent of those surveyed "agreed" or "strongly agreed" that colleges are one of the most valuable American resources (*The Chronicle*, May 2).

But college presidents with close ties to President Bush say their colleagues should not just sit on the sidelines and grumble about the administration's focus on accountability.

"This is the era of Enron, this is the era of disclosure," says Mark G. Yudof, chancellor of the University of Texas System. "This wave has already come over the public schools, and now it's coming over higher education. Either you help to shape this accountability revolution so it's done in an intelligent way, or you're going to get run over."

## **A Different Focus**

As part of his "War on Poverty," President Lyndon B. Johnson pushed Congress in 1965 to approve the Higher Education Act, which created federal grant and loan programs to make college accessible and affordable for low- and moderate-income students. Typically, discussions in past reauthorizations tended to focus on making the student-aid programs more effective.

Bush-administration officials have repeatedly said that this reauthorization is going to be different. They have warned college lobbyists and leaders not to come begging for more money for student aid.

"The color of change is not always green," said Jeffrey Andrade, the Education Department's deputy assistant secretary for postsecondary education, at a meeting in April of the Advisory Committee on Student Financial Assistance, a group that advises Congress and the administration. "I urge the committee not to take the easy way out and argue that all we need is money."

Education Department officials have said the White House is six to eight months away from unveiling its recommendations for reauthorization. But the administration gave a glimpse of how it would approach higher-education reauthorization in March 2002, when it released a five-year strategic plan for the Education Department. That document outlined policy goals for improving elementary, secondary, and postsecondary education.

In an introduction to the report, Education Secretary Roderick R. Paige said that the same principles that guided legislation to improve elementary and secondary education by demanding greater accountability

and performance from public schools -- a law known as the No Child Left Behind Act -- would guide the administration's "future legislative proposals, in areas including special education, vocational education, and higher education."

"Although American institutions of higher education are among the best in the world," the report said, the public and policy makers are very concerned about the escalating cost of attending college and "the effectiveness of postsecondary institutions" in retaining students and graduating them "in a timely fashion."

The report set a goal of reducing the average national increases in college tuition to 2.6 percent by 2007. According to the College Board, the average private-college tuition rose by 5.8 percent last year, while tuition at public four-year colleges rose by 9.6 percent. The report also called on states to collect colleges' graduation and retention rates and to use the data to evaluate their performance.

### **'An Adversarial Relationship'**

The release of the strategic plan set off a furor among college lobbyists and leaders, who worried that the administration intended to ratchet up the government's oversight of colleges and take steps that could undermine their autonomy.

Several months after the report's release, Nils Hasselmo, president of the Association of American Universities, sent a letter to the education secretary with a warning. If the administration delved too deeply into issues of institutional quality, he wrote, it would "assure an adversarial relationship with the higher-education community from the outset of the reauthorization process."

William D. Hansen, the department's deputy secretary, fired back a letter to Mr. Hasselmo. The agency, he said, "would not be acting responsibly in ensuring the appropriate and proper use of taxpayer funds if it did not consider issues associated with the quality and accountability among all educational institutions receiving federal support."

After a few exchanges like that, college lobbyists quickly realized that taking a confrontational approach to the department's demands could backfire. In fact, at times, Bush-administration officials have seemed to delight in the lobbyists' discomfort. In an article in April, *The Washington Times* quoted one unnamed official as saying, "If you thought the elementary and secondary education lobbyists squealed when we talked about accountability, you ain't seen nothing yet."

Many college leaders and lobbyists are dismayed by the combative approach the Bush administration is taking as it prepares for reauthorization. But that approach is not surprising, some political observers say, given that President Bush himself has expressed so much ambivalence about higher education.

On the campaign stump and throughout his presidency, Mr. Bush has often spoken about the importance of education, but he has also been quick with cracks about intellectuals and criticisms of institutions like his own alma mater, Yale University.

Bruce Buchanan, a professor of government at the University of Texas at Austin, says that Mr. Bush learned a valuable lesson from his unsuccessful run for Congress, in 1978. His Democratic opponent, Kent Hance, stressed Mr. Bush's undergraduate degree from Yale and his business degree from Harvard University to portray him as an elitist, "out of touch" with the average Texan. After losing that race, Mr. Bush "vowed that he would never let that happen again," Mr. Buchanan says.

In 1994, when he ran for governor of Texas, Mr. Bush played down his Yale roots. On the stump for the

presidency, he often joked about how little work he did in college, as a history major, and about his mediocre grades.

Mr. Bush and Karl Rove, his chief political strategist, "disapprove of those who give off intellectual airs," Mr. Buchanan says, and they know that attitude plays well with the public.

Mr. Bush also recognizes higher education as a bastion of liberalism. A recent report by the nonpartisan Center for Responsive Politics found that of \$12.1-million in political contributions from academe to Congressional candidates and political parties in 2001 and 2002, 65 percent went to Democratic candidates or to Democratic Party committees.

Those numbers are not ignored in the Bush White House, political observers say.

"They consider many professors to be too liberal, and many institutions of higher education to be seats of liberalism," says Jack F. Jennings, director of the Center on Education Policy and a former Democratic Congressional aide.

### **Just Politics**

Steve Gunderson, a former Republican congressman from Wisconsin, has another explanation for the White House's approach to reauthorization. "You have to look at this from a basic strategic perspective," says Mr. Gunderson. "When Republicans are reforming education, they win politically. When Republicans are funding education, they lose politically because they can never outfund Democrats."

Mr. Gunderson, who has been working with several college groups to prepare them for the attacks he expects during reauthorization, cites poll data showing that on the day that President Bush signed the "No Child Left Behind" law last year, his approval rating on education was 71 percent, an almost unprecedented number for a Republican president. Mr. Bush's poll numbers on education have dropped since then, but they remain around 60 percent.

Mr. Bush's focus on education reform has also buoyed his party on the issue. In the mid-1990s, after Republican leaders in Congress tried to reduce the budget deficit by cutting federal spending on education, Democrats regularly led Republicans by wide margins when poll respondents were asked which party they preferred on education. Under President Bush, Republicans continue to trail Democrats but only narrowly.

"If I were Karl Rove, I would look at the history and the success of 'No Child Left Behind,' and I would make darn sure that the president's State of the Union speech and budget next year talk about a significant reform of higher education," says Mr. Gunderson. "It doesn't take a rocket scientist to figure that out."

### **Appropriately Concerned**

If the Bush administration pursues a reform agenda, the criticisms it is leveling at colleges are on target, say some higher-education experts.

Patrick M. Callan, president of the National Center for Public Policy and Higher Education, a nonpartisan research group, says that while he would not support proposals to control college prices, it is important for the administration and Congress to call attention to such a serious problem.

"The implicit position of college and university leaders seems to be that colleges ought to be able to

charge whatever they think is appropriate, and it's the government's responsibility to make sure everyone can afford it," he says. "I don't think that's a tenable solution."

The administration's concerns about graduation rates are also justified, says Frank Newman, a visiting professor of public policy and sociology at Brown University and director of a research effort called the Futures Project: Policy for Higher Education in a Changing World.

He cites statistics showing that, on average, only about half of the students who attend college graduate within five years. Among those with the lowest incomes, the figure is under 20 percent. "That's abysmal," he says.

Colleges should be confronting those problems, not playing them down, Mr. Newman says. He believes that higher education has been spoiled by its own success. As a result, college leaders and lobbyists "have become expert at fending off criticism with well-polished arguments about the importance of higher education" and tend to "sweep problems under the rug."

Mr. Newman says that some colleges, such as the Community College of Denver, La Guardia Community College of the City University of New York, and the University of Texas at El Paso, have increased the graduation rates of low-income and minority students, by creating programs to provide them with greater academic and social support. Some colleges have also instituted early-warning systems that identify students who are having difficulties.

Those programs "are not simply one-shot solutions, but approaches that can be applied broadly," Mr. Newman says, recommending that the government give colleges greater incentives to try the approaches on their campuses.

If they wanted to make proposals like Mr. Newman's, the administration and Congress would have to put some money on the table. But with the Congressional Budget Office expecting the budget deficit to exceed \$400-billion this year, the White House is unlikely to do so.

"They don't want to spend a nickel, and they don't have a nickel to spend," says one college lobbyist, asking to remain anonymous. "They'd have to borrow a nickel to spend it."

With the White House reluctant to devote much money to student-aid programs during this reauthorization, it's not surprising, some college lobbyists and Democratic lawmakers say, that administration officials are blaming colleges for closing the doors of higher education to low-income students.

"It's a win-win for them," the lobbyist says. "If they are not going to spend any money, it makes sense for them to argue that colleges are charging too much."

Rep. Robert E. Andrews, a New Jersey Democrat who is on the House education committee, says that the administration's lack of money also explains why it is focusing so much attention on college quality. "Part of the agenda behind this discussion of accountability," Mr. Andrews says, "is to distract attention away from the fact that they can't afford significant increases in student aid because they've already given the money away in tax cuts."

Republican lawmakers scoff at that charge. "There's always demands for more money, but money itself doesn't guarantee a solution to every problem," says Rep. Howard P. (Buck) McKeon, the California Republican who heads the House subcommittee with jurisdiction over higher-education issues. He notes that the government already spends billions of dollars on student aid.

## Reading the Tea Leaves

If President Bush issued a stinging critique of higher education as part of his presidential campaign, how would that play with the public?

Recent polls provide mixed answers.

For example, the *Chronicle* poll -- a telephone survey of 1,000 adults, ages 25 to 65, from every state except Alaska and Hawaii -- found that the public appears to be more than satisfied with the quality of education that American colleges provide. In fact, the public's confidence in private colleges was exceeded only by its trust in the U.S. military. Four-year and two-year public colleges ranked only slightly lower, just below local police forces.

Mr. Wolanin, the former Democratic Congressional aide, says such findings show that the public is not demanding a "No Child Left Behind" approach to higher education. "There has been fairly broad public dissatisfaction with our K-12 education system," says Mr. Wolanin, who is now a senior associate at the Institute for Higher Education Policy, a nonprofit research group. "On the other hand, the public seems quite satisfied with the quality of higher education in this country."

Still, the poll suggests that Americans are very worried about the escalating price of a higher education. Of those surveyed, 82 percent "agreed" or "strongly agreed" that a college education was becoming "very difficult" for a middle-class family to afford. Almost two-thirds of respondents "agreed" or "strongly agreed" that colleges could reduce their costs without hurting quality.

Another public-opinion poll released last month by the Educational Testing Service, found that almost three-quarters of the 1,003 adults who were interviewed said that the nation's higher-education system either "works well" or needs only minor changes.

But 52 percent of those interviewed for the survey, which was conducted by the Democratic pollster Peter Hart and the Republican pollster Robert Teeter, said that it is appropriate to hold colleges accountable for their quality.

Political observers say that as President Bush's re-election campaign heats up, he will be seeking issues to help him convey his image as a "compassionate conservative."

He can do that, they say, by empathizing with low- and middle-income families that are struggling to pay their college bills. He can also do that, they say, by scolding colleges for allowing so many disadvantaged and minority students to drop out lacking the skills they need to improve their lives.

It's not clear how the administration would fix those problems. But that's besides the point, says Mr. Gunderson, the former Republican congressman.

"A compassionate conservative can be very elegant in raising these issues as a crisis," he says. "It would not even take a particularly skilled politician to create the environment for reform."

**NEXT:** *A fight brews among public-college officials over whether the government should raise the amount of money that students may borrow from the federal student-loan programs.*

**THE HIGHER-EDUCATION ACT: A HISTORY**

**1965:** President Lyndon B. Johnson signs into law the Higher Education Act, the first explicit federal commitment to increase access to college for low-income students. The legislation creates the Educational Opportunity Grants, which give money to colleges for needy students. It also creates the guaranteed-student-loan program, to help middle-income students and their families pay for college.

**1968:** First reauthorization of the act. Congress makes only slight changes. It creates the Special Services for the Disadvantaged Program, to provide tutoring, counseling, and remedial instruction to low-income students, and merges it with two other programs -- Upward Bound and Talent Search -- to form the TRIO programs for disadvantaged students.

**1972:** Second reauthorization. Congress creates the cornerstone of federal student aid, a grant program (later named Pell Grants after Sen. Claiborne Pell, right, a Rhode Island Democrat) that provides money directly to students. The legislation also provides federal matching dollars for state student-aid programs and creates Sallie Mae, to buy student loans from banks in order to free up money for new college students.

**1976:** Third reauthorization. With loan-default rates up, and low-income students facing inadequate access to loans, Congress adds new subsidies to encourage banks to lend to students, and involves state loan-guarantee agencies in the federal program.

**1978:** Under pressure to make college more affordable for middle-income students and their parents, Congress and the Carter administration agree to widen eligibility for Pell Grants and open the federal-loan program to any student, regardless of financial need.

**1980:** Fourth reauthorization. Congress creates supplemental federal loan programs for parents of dependent undergraduates and for students who are financially independent.

**1981:** With the inauguration of Ronald Reagan, who had called for reduced federal spending, many changes intended to make student aid more widely available are reversed. The administration and Congress reintroduce need as a condition of eligibility for federal loans and add an "origination fee" for borrowers to pay to obtain loans.

**1986:** Fifth reauthorization. Fending off the Reagan administration's attacks on the student-aid programs, Congress, with the leadership of such lawmakers as Sen. Robert T. Stafford, a Vermont Republican, approves a reauthorization bill that largely keeps the status quo.

**1992:** Sixth reauthorization. Flooded by news reports of fly-by-night trade schools reaping profits from federal aid funds, Congress strengthens the Education Department's ability to remove problem institutions from its aid programs. But lawmakers reject proposals to throw for-profit institutions out of the programs altogether. Congress also creates a new, unsubsidized loan program, not restricted to students with financial need. And Rep. William D. Ford, a Michigan Democrat, persuades Congress to authorize a project to test the feasibility of providing loans directly to students through their colleges, rather than through private banks.

**1993:** President Bill Clinton pushes Congress to phase out the guaranteed-loan program and replace it with direct lending. Congress votes to convert at least 60 percent of loans to direct lending. Also at the president's urging, Congress votes to allow borrowers in the direct-loan program to repay their loans as a percentage of income for up to 25 years. Lawmakers create AmeriCorps, a community-service program that provides college scholarships to participants.

**1995:** Republicans gain control of Congress and vow to keep the guaranteed-loan program.

**1998:** Seventh reauthorization. Lenders oppose a scheduled change in the formula used to set the interest rate on student loans, which was expected to significantly lower the cost for students. The change was included in 1993 legislation that called for phasing out the guaranteed-loan program. In a bipartisan agreement, Congress halts the formula change but still significantly reduces the interest rate. In addition, Congress creates Gear Up, a program to help motivate middle-school students in low-income areas to pursue a college education.

**2003:** Congress prepares to extend the law for the eighth time.

**SOURCES:** *The College Aid Quandary*, by Lawrence E. Gladieux and Arthur M. Hauptman (Brookings Institution, 1995);  
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