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Editorial: Pols tinker on the edges when it comes to rising tuition

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As President Joe Biden looks for creative ways to ignore the recent Supreme Court decision that shot down his student loan amnesty program, a House subcommittee this week took up the subject of soaring higher education costs. The two issues are directly related, even if many elected officials refuse to see it.

On Thursday, the Higher Education and Workforce Development subcommittee heard witnesses, the National Desk reported, on the topics of rising college tuition and students who take out thousands of dollars in loans without regard for whether they will ever be able to pay it back.

The solution, according to Democrats, is “enacting widespread debt relief and making community college free for all Americans.” Meanwhile, Republicans, the report notes, “have pushed for encouraging more competition and transparency, along with holding colleges accountable” for the career prospects and earning potential of their graduates.

Note that the Democratic course forward is to whistle down the same path that has led us into the \$1.7 trillion crisis in the first place. Neither the president’s student loan forgiveness proposal nor any of the more radical debt amnesty suggestions put forth by congressional progressives would reform the system in any meaningful way. Instead, the government would simply pick right up where it left off, setting the stage for a repeat years down the road.

That, as Einstein noted, is the definition of insanity.

Let's also remember that, when President Barack Obama nationalized the student loan industry more than a decade ago, his supporters — including some in the Senate — assured American taxpayers that the change would be a money-maker for the federal government. Oops.

Republican calls for more accountability from colleges make sense, but how far should the government go to micromanage what are currently choices made by educational institutions and students?

But neither side addresses the real issue.

As David Boaz of the Cato Institute pointed out in 2021, “A 2017 study from the Federal Reserve Bank of New York found that the average tuition increase associated with expansion of student loans is as much as 60 cents per dollar.”

Mr. Boaz also highlights the epiphany experienced by Al Lord, former CEO of Sallie Mae, after he discovered it cost \$75,000 a year to send his grandchildren to college. Colleges raise tuition “because they can,” Mr. Lord told The Wall Street Journal, “and the government facilitates it.”

Until elected officials address the relationship between the massive expansion in federal student aid over the years and tuition inflation at institutions of higher learning, they will be doodling in the margins.