



Nothing's Impossible

Neal McCluskey
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A few days ago, the Cato Institute hosted a conference ostensibly about college accreditation, but ultimately about overall higher education quality. If due to some cataclysmic event you weren't able to watch it live, you can [catch the whole thing here](#). It featured a lot of great discussion, but there's only one matter, briefly mentioned in the proceedings, that I want to focus on here: the political possibility of phasing out federal student aid.

Any time I discuss higher ed reform proposals that stop short of eliminating federal aid, I feel duty bound to note that as long as Washington sends money to colleges, either directly or through students, it will ultimately call the shots. You know, "he who pays the piper." And the shots it calls will very often be bad. When pressed, it's something with which few people ever seriously disagree. But then they deliver the inevitable qualification: "But, politically, federal aid will never be phased out." Heck, I've often said that myself!

No more.

The fact is, federally driven student aid – which in 2012 came to [about \\$170 billion](#) – is almost certainly the biggest driver of long-term, rampant college [price inflation](#); serious [non-completion](#); and major [overproduction of degrees](#). In other words, it fuels staggering waste for both students and society alike. And whether it's the [national debt](#), or [student debt](#), that grabs your attention, this is not a sustainable state of affairs. We *must* cut aid.

Thankfully, these problems are being recognized by more and more people. There seems to be growing agreement among wonks of [numerous stripes](#), for instance, that at least some forms of aid, such as tax breaks, are counterproductive, largely helping wealthier Americans who shouldn't need a thumb on the scale to pay for college. Indeed, [some progressives](#) now even decry student aid enabling colleges to raise their prices at lightning speed. And the percentage of Americans who think that "college is still a good financial investment" has [dropped precipitously](#) over the last several years, from 81 percent in 2008, to 50 percent in 2013.

Will phasing out student aid be a steep, uphill political climb? Absolutely! But it is not hopelessly quixotic to make it the ultimate policy goal. More and more people, it appears, are coming to realize that aid does more harm than good, and you can only inflict pain for so long.

Neal McCluskey is the associate director of the [Center for Educational Freedom](#) at the Cato Institute. He is the author of the book *Feds in the Classroom: How Big Government Corrupts, Cripples, and Compromises American Education*, and his writings have appeared in such publications as the Wall Street Journal, Baltimore Sun, and Forbes. He holds a Ph.D. in public policy from George Mason University