
THE NEWNAN TIMES-HERALD

Be careful what you ask for

Jonathan Butcher

October 13, 2016

In 1952, Patrick Skene Catling wrote *The Chocolate Touch*, a retelling of the King Midas fable that reminds us we can have too much of a good thing. In Catling's story, the main character finds that everything he eats turns to chocolate (with King Midas, everything he touched turned to gold). Hilarity, and nausea, ensues.

The Georgia Budget and Policy Institute's latest report on the state's HOPE and Zell Miller scholarships provides valuable findings about college scholarships and the students using the funds. The Institute's recommendations, however, might give us too much of a good thing.

The Institute reports that a smaller percentage of low-income students use the scholarships (30 percent) than middle and upper-income students (42 percent). The authors are correct when they say that college tuition has "skyrocketed" recently—a finding that is true for colleges around the country. The authors also make a compelling point when they write, "Students need more options to gain valued skills and enter successful careers, regardless of their families' background or bank account."

Yet their solution will not solve the college cost problem nor the opportunity issues. The Institute suggests lawmakers find "an enhanced approach to financial aid that ensures students from all backgrounds...can gain the benefits of a college degree."

If the Institute's goal is to help qualified students—regardless of background or income—get help paying for college, such an objective may result in better candidates entering the workforce. But the report's emphasis on sending as many students to college as possible should give taxpayers and students pause.

The Cato Institute's Neal McCluskey has documented research that links increasing college tuition with increased levels of federal aid (similar to the "Bennett Hypothesis," formulated by former U.S. Secretary of Education William Bennett). State lottery proceeds fund the HOPE and Zell Miller scholarships, but universities' incentives remain the same: If scholarship funding is almost guaranteed, why lower tuition, especially if students can combine a scholarship with federal aid? Scholarships help students pay tuition, but this assistance does not create an incentive for schools to keep costs down.

Moreover, both scholarships require students keep their grades up in order to participate. The Institute says the merit-based awards are "disproportionately out of reach for students of modest means." Yet the state should not lower the bar for this assistance because sending a student to college that is unprepared for higher education does not help that student.

Policy debates on college tuition and student opportunity intersect when unprepared students step on campus. If an undergraduate drops out without a degree, they find themselves in need of a job but without a degree to improve their prospects. According to an Urban Institute report, “Not completing a degree is a significant predictor of repayment difficulty and default,” as 43 percent of college dropouts that used college loans have debt levels of \$10,000 or lower. A quarter of college dropouts that used loans have debt levels of between \$10,000 and \$20,000.

Sending everyone to college, even if they are unprepared, puts students from low-income families at great risk for debt later in life. Students with few resources that struggle in school and drop out of college will struggle to attain the American Dream even when well-intentioned policymakers try to help.

The Georgia Budget and Policy Institute’s report on scholarships provides a useful analysis of the kinds of students using state scholarships for higher ed. Furthermore, the Institute’s suggestion that the scholarships be available to students in their 20’s and 30’s may help nontraditional students that enter college later in life.

But in order to help more students succeed in their education and career, state lawmakers should give students better access to quality learning opportunities in K-12, like education savings accounts and encouraging the growth of high-quality charter schools. Meanwhile, policymakers should commit to helping students, no matter their socioeconomic status, make informed decisions about whether college is the right choice.

With the prospect of long-term debt, the idea of sending as many students to college as possible should make taxpayers—and students—nauseous.