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## Education impasse: GOP vs. Dems; Limiting government involvement will make college more affordable

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The cost of a college education has soared far in excess of the cost of health care. This is in spite of - or, more accurately, because of - massive government involvement in subsidizing and running schools. On the one hand, we have President Obama, who wants to double down and have Uncle Sam play a larger role in the classroom. On the other, we have reformers like presumptive GOP vice-presidential nominee Paul Ryan, who wants to limit the growth of Pell grants while ensuring the neediest students still have access.

Doing more of the same isn't a realistic answer. America is in the midst of what University of Tennessee Prof. Glenn Reynolds calls the "higher education bubble." As with the housing bubble, cheap credit is the primary culprit in inflating the price of schooling. Federal student loans subsidized by taxpayers have made learning more expensive, not more affordable.

The Cato Institute's Neal McCluskey estimates federal student aid increased by 372 percent between 1985 and 2010, from just under \$30 billion to almost \$140 billion. To put it another way, as Mr. McCluskey explains, "Taxpayer-funded outlays per degree rose from \$58,755 in 1985 to \$78,347 in 2010." This flow of cheap money corresponded with rapid growth in tuition at rates well above average inflation. Mr. Reynolds reports that college tuition grew at almost 7.5 percent annually between 1980 and 2010, when average inflation was 3.8 percent. At less than 6 percent annually, even health care costs grew at a slower rate than the university tab.

Young people aren't getting much in exchange for this huge outlay. While enrollment has increased, completion rates remain dismal. Barely a third of students complete their degrees in four years, and less than 60 percent earn their degree in six years, according to Mr. McCluskey. That means at least two out of five enrollees don't finish and fail to reap the benefits of a post-high-school education. Even those who complete their programs of study and are fortunate enough to find employment find that in one out of three cases, their degree isn't required for their work.

According to economist Richard Vedder, credential inflation has eroded the value of a college degree. Having one results in less of an income boost over those without one. A university diploma doesn't provide the security in times of high unemployment that it once did. In 1970, college-degree holders had one-quarter

the unemployment rate of the general population; in the most recent downturn, that percentage had doubled.

Graduating from a university is no longer the golden ticket guaranteeing a middle-class life. When it can cost up to \$200,000 to complete a degree, it makes sense to ask whether there's really going to be a return on that sizable investment. Even in this current sluggish economy, lucrative jobs in the skilled trades remain unfilled. Pushing more young people into college - regardless of their aptitude, preparation or the needs of the market - is the wrong thing to do.

Though it's likely to be overshadowed by larger economic issues on the campaign trail, education is one area where the difference between the candidates could not be more stark or more important.