



Let's call Pennsylvania universities' bluff

By Colin McNickle

Wed, Feb. 29, 2012

It's extortion by another name, this threat from the chieftains of Pennsylvania's four "state-related universities" to - *gasp!* - privatize their operations if state subsidies are slashed for the second year in a row. But they should be a lot more careful about how loudly they rattle their sabers, or these out-of-touch spendthrifts might just find themselves out of business.

If forced to privatize, they soberly warn, tuition will escalate, discounts for in-state students will disappear, and the number of graduate programs will decline. Penn State's Rodney Erickson warns of a \$1,400 tuition hike. Lincoln University's Robert Jennings says the tab at his school would rise by \$1,350. (Never mind that Gov. Corbett's budget proposal doesn't cut any money for Lincoln.) Over at Temple, Ann Weaver Hart predicts an increase of \$4,000 a year.

Meanwhile, during hearings in Harrisburg last week, university officials also objected to demands that they be more transparent about their finances.

And never mind the ample scholarly literature that debunks the notion of a correlation between lower public subsidies and higher tuition rates. In fact, research shows that public subsidies actually give all kinds of cover for raising tuition.

The leaders of the state-related universities might want to brush up on their government extortion practices, because if they follow through on their threats to privatize, they're going to face a competitive education marketplace in which consumers will actually drive tuition down. More than a few ivory towers could face dismantling as a result.

And as for those who argue that reduced state subsidies will prevent deserving prospective students of lesser means from receiving a college education, a few facts, courtesy of the Cato Institute: Taxpayer subsidies, which have given colleges and

universities cover to raise tuition without check, have led to too many unprepared students seeking higher education.

Standards have fallen. The need for remedial work has risen. The share of entering students who complete degrees has fallen. And the six-year graduation rate among those studying for bachelor's degrees is only about 56 percent.

That's not exactly down to the level of *Animal House*, but it's not far off, either.

The Pennsylvania legislature should call the state-related universities' bluff. Penn State, Temple, Lincoln, and the University of Pittsburgh should go ahead and privatize. Students, higher education, and taxpayers will be better for it.