



THEMES in the NEWS

IDEA's weekly commentary on education news

Week of Jan. 3-6, 2012

2012: The Year of College Affordability?

By UCLA IDEA

Last month the Obama administration signaled that it is paying attention to the increasing problem of college affordability, especially for middle-income families. Vice President Joe Biden discussed the reality for many parents: "There's more parents tonight who are going to go to bed staring at the ceiling literally wondering about, whether your mother is going to have to tell you... 'you can't go back next semester, we don't have the money.'"

Those worries are already familiar to Californians, who have witnessed seemingly endless tuition and fee increases at all of its public institutions—University of California, California State University and California Community Colleges. In the past three years, the UCs, Cal States and community colleges have been devastated by hundreds of millions in budget cuts. Last year, UCs and Cal States dealt with a \$650 million shortfall followed by another \$100 million in midyear cuts. On Thursday, Gov. Jerry Brown said to prepare for up to \$200 million more cuts for UCs and Cal States unless additional revenues can be generated through a November ballot initiative.

For students, budget cuts mean increased tuition, more competition for admission from out-of-state students (who pay much higher tuition and are favored by some budget watchers), and fewer courses and services once enrolled (often entailing a costly fifth year to achieve a four-year degree). The pace at which tuition has increased is alarming. In November, anticipating midyear "trigger cuts," Cal State trustees voted on a 10-percent tuition hike, its ninth fee increase in as many years.

According to the Federal Reserve Bank of San Francisco, public four-year college tuition more than tripled in western states in the last 30 years. And according to the College Board Advocacy and Policy Center, California public four-year universities had the highest percentage increase in in-state tuition and fees for the 2011-12 year.

Responding to higher college costs, students are borrowing more and ending college with more debt. "A Berkeley education is still a bargain, in terms of lifetime earnings, but that's a small comfort to a middle-class who can't afford it, or to a student who has to take out a burdensome loan," said Robert Reich, a Berkeley professor and former U.S. labor secretary.

Though all sectors are impacted, many middle-class families are no longer confident that they can pay for their children's education without extraordinary sacrifice, if at all. Middle-class families typically do not qualify for financial assistance available to California's poor. At UC Berkeley, the proportion of middle-class students—those whose families earn between \$80,000 and \$140,000—has declined while low- and high-income student populations have grown. In response, Berkeley officials decided to cap the amount middle-class families pay at 15 percent of their household income.

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Page 2

The cost and scarcity of college opportunities raises the risk of different classes pitting their interests against each other. For example, the California Dream Act, which went into effect this month, provides access to public and private scholarships for a group of low-income, primarily undocumented immigrant students who previously had no chance for financial help. It would be sad if these students had added to their vulnerable legal and social status the enmity of others whose educational opportunities were also becoming increasingly jeopardized. Collective efforts to ensure affordable college for low- *and* middle-income families offer the best hope for avoiding social-class resentment and expanding opportunity. Ultimately, the way to protect the middle class is to grow the middle class.

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