THE IRON TRIANGLE:
COLLEGE PRESIDENTS TALK ABOUT COSTS, ACCESS, AND QUALITY

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October 2008

A Report from
The National Center for Public Policy and Higher Education
and Public Agenda
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Introduction

Higher education has been one of the great American success stories. American colleges and universities, long held to be the best in the world, currently serve almost 18 million people, with 66% of the public saying that higher education is teaching students what they need to know (up from 53% 10 years ago). The country has also had substantial success confronting and responding to challenges in higher education over time. Most notable was the response to the massive influx of students on the G.I. Bill (through which higher education helped create the middle class), and the equally impressive response to the influx of the baby boom generation, which resulted in the creation of a huge bulge of highly educated workers, providing enormous opportunities for women and for some members of minority groups.

Higher education in changing times

Today, higher education faces a new set of challenges, including the following:

- A new influx of students (the National Center for Education Statistics projects 20.4 million students by the year 2016, an increase of 15%), many of whom are members of minority and recent immigrant populations who have much more uneven academic preparation for college work.

- An increased price tag for higher education, combined with a much slower increase in family incomes. For a family in the bottom quintile, the share of family income required to pay for a year’s tuition at a four-year public institution has doubled since 1960, from 13% to 27%. (National Center for Public Policy and Higher Education, Losing Ground, 2004)

- Intense competition from other countries (such as China and India), which are creating a new pool of well-educated younger workers, along with a stagnated rate of highly educated workers in the United States. Thirty-nine percent of American adults ages 35 to 64 hold a college degree, second only to Canada. The rate is the same for American adults ages 25 to 34, but that proportion is now only the seventh highest in the world. Six other countries have tied or surpassed the U.S. in that age range. Canada’s rate of college-educated adults has
increased 14 points, to 53%. (National Center for Public Policy and Higher Education, *Measuring Up* 2006)

- Greater demands for accountability, transparency, and assessment in higher education, stemming from efforts such as those of the Spelling Commission. At the same time, state and local funding for colleges and universities haven’t kept pace with their enrollment increases in recent years.

These trends suggest that the country and its institutions of higher education will once again face a historic test. In many respects, the nation’s colleges and universities—especially its public colleges and universities—are in the crosshairs of competing social needs and economic realities. The U.S. economy is looking for a new cohort of highly educated workers. Growing numbers of low-income, minority, and foreign-born students are aspiring to the opportunities higher education provides. Meanwhile, state and federal government face increasing costs for healthcare, K–12 education, and decaying infrastructure, in addition to those for public higher education. Parents and students, for their part, are starting to question whether higher tuition costs—and the debt families shoulder to pay them—are always warranted. Taken together, these countervailing trends present an enormous challenge.

**ARE WE HEADED FOR DIALOGUE OR FOR STALEMATE?**

So, just how ready is the country for debate and discussion on how to address the changes facing higher education? Are the stakeholders—colleges and universities, the K–12 community, students, families, governments, and industry—prepared for open-minded, practical dialogue on how the country’s educational infrastructure can meet this historic challenge. Or, will the parties find themselves trapped in miscommunication and blame-shifting, resulting in an unproductive stalemate? Will state colleges and universities have a strong voice in shaping their own destiny, or will legislators and regulators who may lack an intimate understanding of the system make decisions for them?

Public Agenda and The National Center for Public Policy and Higher Education have been looking at how different groups view the challenges
facing higher education for more than a decade. Over the years, we have tracked the views of the general public and parents in a series of detailed public opinion surveys. We have also interviewed legislators, business executives, and other opinion leaders about major issues in higher education.

“The Iron Triangle” is a small-scale exploratory piece of research that adds another dimension to this work by exploring the perspective of college and university presidents. It examines the views of more than two dozen presidents who shared their thoughts with us in lengthy, one-on-one interviews. Those interviewed represent different kinds of higher education institutions—two- and four-year schools, private and public institutions, schools serving different segments of the population in different parts of the country. These interviews are the subject of the body of this report.

Amissing pre-condition for dialogue

Although “The Iron Triangle” cannot provide a definitive picture of the views of college presidents nationwide, it does bring some important themes to light—themes that warrant additional discussion and exploration. The higher education leaders interviewed here have obviously given real thought to the goals and responsibilities of their institutions. They are ardent and powerful advocates for the special role higher education plays in the nation’s well-being. Their ideas and observations make absorbing and, we believe, important reading. But the views captured here also suggest that one essential pre-condition for productive dialogue and resolution is not yet in place.

Over the years, Public Agenda has reviewed many large-scale public issues, and we have found one factor that is essential for resolving them: The various stakeholders must agree on the definition of the problem. Once this is established, there is a much greater likelihood of productive debate and resolution. Without it, the parties simply talk past each other, or they find themselves trapped in a repetitive and counterproductive battle of “the facts.” One simple example is the debate over climate change. Until recently, debate in the U.S. has been stalemated by an argument about whether climate change is real and is the result of human activities. As long as there was debate about whether the problem existed, the opportunities for genuine progress and resolution were small. Today, we are starting to see a much broader acceptance of the definition of the problem, with industries, state governments, the federal government, and the general public all voicing
various degrees of agreement about the “inconvenient truth” of human-created climate change. What this will mean in the future remains to be seen, but clearly, finding common ground on the problem makes progress on solutions at least possible.

“The Iron Triangle,” however, suggests that the country has not yet reached a similar stage in its thinking about higher education. Based on our interviews with a cross-section of higher education leaders, our preliminary hypothesis is that most hold a very different definition of the problem than what typically exists among the general public or other leadership groups. Until these groups can coalesce around a shared understanding, they are destined to talk past each other, with the two sides drawing farther apart through rising frustration, rather than coming together for a consensus or compromise.

AN INVESTMENT WORTH PAYING FOR

To understand the disjuncture between the ways different stakeholders see higher education issues today, we can look first at the common thread in the thinking of the college and university presidents interviewed for this project. Two main ideas were shared, in one way or another, by most of the presidents we spoke with.

• In the view of many college and university presidents, the three main factors in higher education—cost, quality, and access—exist in what we call an iron triangle. These factors are linked in an unbreakable reciprocal relationship, such that any change in one will inevitably impact the others. Most of the presidents believe that if one wants to improve the quality of higher education, one must either put more money in the system or be prepared to see higher education become less accessible to students. Conversely, cutting costs in higher education must eventually lead to cuts either in quality or access.

• A corollary to this view, again shared by many higher education presidents, is that in order to meet the educational demands of the future, much of the heavy lifting will need to be done by governments investing more money in higher education, by students and their families paying more in tuition and fees (offset by more financial aid), and by private industry shouldering more of the burden through
partnerships and philanthropy. Although many of the presidents conceded that there are inefficiencies in higher education—just like any complex system—most seem to believe that colleges and universities have already done much of what they can do to become cost-effective. Colleges can and should be more accountable and more efficient, they seem to say, but if the country is serious about remaining competitive, and about providing education for a new generation of students, we must recognize the high value of higher education and be prepared to make the investments needed to pay for it.

**Are you listening to us?**

Previous research by Public Agenda and the National Center has suggested that the above definition of the problem is not shared by other stakeholders: The public, for its part, does not accept the idea that there is necessarily a reciprocal relationship between cost, quality, and access. More than half of the public (56%) say that colleges could spend a lot less and still maintain a high quality of education. Fifty-eight percent also say that colleges could take in “a lot more students” without affecting quality or increasing prices. While people stress the importance of higher education and recognize and respect its role as the gateway to the middle class for millions of Americans, they also have little sympathy for higher education’s problems. Indeed, a small majority (52%) regards colleges and universities primarily as a business, with an eye on the bottom line, and four in 10 Americans believe that waste and mismanagement is a factor in driving up the cost of college.

Earlier studies have also suggested that many business and government leaders do not share the vision of the iron triangle. As far back as the 1990s, more than six out of 10 government and business leaders believed that higher education was too bureaucratic and resistant to change, and that colleges needed to become leaner and more efficient. More recent qualitative interviews with business, media, and philanthropic leaders suggest that these attitudes have, if anything, intensified. For example, we have found enormous frustration among state legislators who often feel that state higher education institutions are unresponsive and lack accountability. One legislator put it this way: “There’s a feeling in the Legislature that the university is relatively arrogant. They’re not going to listen to anything you’re going to say. They just say, ‘Just send us the money. We’re too smart for you to tell us how to spend it. We’ll spend [any way] we think is right.’ Many times they go in the direct
opposite of [the needs of] our region.”

A DANGLING CONVERSATION?

The disparate perspectives laid out above reinforce our hypothesis that neither the public nor leadership, especially state legislators, shares the definition of the problem most often articulated by college presidents. In effect, the college presidents are saying that it is unreasonable and unrealistic to expect higher education to maintain quality and improve access without a significant reinvestment of funding. The leaders and the public are saying almost the exact opposite. They question whether colleges and universities are using the money they already have as effectively as possible. And they are saying, with some passion, that there are simply limits to how much they can pay.

What will be required to move the debate along to the next stage? Some college presidents reminded us that higher education needs to do a better job telling its story, and, perhaps, as in the issue of global warming, one side will eventually win the debate (assisted by real events on the ground that buttress the argument). Another possible scenario, however, is that both sides will need to redefine their initial positions, with significant changes from higher education and simultaneously more support from the other players. How the debate will progress is not something that we can predict. Even so, we are convinced that progress in addressing the historic challenges that higher education now faces will be piecemeal, limited, and repeatedly delayed unless and until debate and dialogue proceed from a common starting point.

For most Americans, getting a college degree is the key to social mobility, the entry point for building a decent middle-class life. But college costs are rising dramatically, and Americans are increasingly worried that rising tuitions and fees will mean many qualified, motivated young Americans will not have this opportunity. This public dilemma was strikingly captured in “Squeeze Play: How Parents and the Public Look at Higher Education Today,” a report prepared by Public Agenda for the National Center for Public Policy and Higher Education, and published in 2007.

To understand how higher education leaders at the highest level perceive this challenge, Public Agenda interviewed more than 30 college presidents from all sectors of the higher education universe. In candid and confidential one-on-one interviews, we asked these institutional leaders how they
perceived three related factors: the cost of higher education, the quality of education provided by colleges and universities, and the challenge of providing access to higher education for a new generation of students.

** Expected and Unexpected Views **

Three key insights emerged from these conversations— one expected, the other two less so. The first is that, as one might have anticipated, our respondents were incredibly thoughtful, informed, and articulate; they drew from a wide range of experience from their own institutions, from other institutions where they had served, and from their participation in national and regional professional associations. The second factor, initially less anticipated, is that none of them was the least surprised by our questions. Indeed, we began each interview by asking the respondents to list his or her issues of greatest concern. For the most part, the presidents began by listing some version of our three main topics: college costs, access, and quality. In some cases, the presidents even conducted parts of the interview for us, following up their own statements by saying, “But you will probably ask me…” The third observation is that there was a great deal of commonality in the way the presidents perceived the issues. Just as it’s possible to put a number of photographs together to create a composite picture, the college presidents’ responses— taken together— can be summarized by a composite view. While few of the presidents would wholeheartedly agree with all of this composite (and some would endorse very little of it), most of the presidents we interviewed resonated with much of it.

In what follows, we have tried to let the college presidents speak for themselves for the most part, selecting representative quotations to illustrate main topics. Because the interviews were given under a pledge of individual confidentiality, we have not identified the nature of the institution of the speaker. The quotations have been lightly edited, and in some cases, two remarks have been combined in order to delete the moderator’s questions or an irrelevant side issue. We have also edited quotations to mask the identity of the speaker.
Our discussion of what we heard is organized into five parts:

**Part I: Overview**

**Part II: Cost**

**Part III: Access**

**Part IV: Quality and Accountability**

**Part V: The Way Forward**
PART I: OVERVIEW

The Iron Triangle. Three concepts dominate the concerns of the college presidents we interviewed: the increasing cost of higher education; the challenge of providing access to new generations of students; and the need to maintain and improve educational quality (along with the need to be accountable for that quality). Any of these goals would be challenging enough, but most of the presidents see these three missions as being in tension—a change in one impacts the others. For example, while many of the presidents believe that greater efficiencies are possible, most also believe that, for the most part, efforts to enhance access or improve quality will ultimately drive up costs. By contrast, they believe reduced financial support from the states—something being talked about nationwide—will eventually either harm quality and or force tuition increases that will reduce access. In subsequent sections, we go into each of these elements in greater detail, but our first group of quotations illustrates the tension between the three. Although we do not normally describe the institution (in order to protect interviewees’ privacy), the quotations in this report include comments from the president of a major research university, a regional state institution, a private college, and a community college.

“The first challenge, of course, is obviously to balance access with high quality. The goal of American education—for many of the institutions—was to be excellent. The colleges were intended to be in the pursuit of the very best contribution. We don’t settle for mediocrity. If excellence is your goal, that costs money. How you balance access with that constant pressure is rather interesting. Now, there are other models that focus on cost saving, and I think these are going to emerge. They, perhaps, could completely bankrupt the distinctiveness of an American education.”

“The quality of our institutions remains high. If we were better funded, we could do better, but I don’t believe we have sacrificed quality yet. That is ultimately my worry as we deal with these budget crises. One way to deal with those crises is to sacrifice quality, but ultimately you end up competing with the University of Phoenix. My worry is that we may become even less and less competitive in the world. Ten or 20 years ago, American universities were the envy of the world, and students from around the world came here. Today that isn’t true.”

“At the end of the day, we hear from our legislature, ‘Why don’t you just take more students and have bigger classes?’ That does add capacity,
but it erodes the quality of the education. There is a very pervasive attitude among universities that we ought not to be told to do anything different; I totally disagree. But there is also a pervasive attitude from the accountability/legislative side that it can all be done with smoke and mirrors. At some point there’s a notion that there’s a free lunch out there, and there isn’t.”

“The pie isn’t big enough. They’re not going to increase the pie, and so the kinds of things that you want the current schools to do are going to get fewer funds, and to do that we’re either not going to be able to offer some things, or we’re not going to be able to do them as well as we can.”

“We are constantly balancing access with quality. Here we are with maybe half of the high school graduates coming to us who are not college-ready, and we are being held accountable for producing high-quality graduates. It is a balancing act, at least for community colleges.”

PART II: THE COST OF HIGHER EDUCATION

Why are costs rising? Every president interviewed conceded that higher education costs and prices are rising, but many attribute this more to the rising costs of the various component elements of a college or university, rather than to a failure of higher education to control costs.

“I have yet to be convinced that the cost of higher education is as strikingly awful as the media are portraying it to be. The reason for that, in my own mind, is that I always have to separate out what’s the cost of tuition and fees, which is what people have to pay in order to get a degree. The price for tuition and fees is the mandatory aspect of what you have to pay, as opposed to housing and food services and all of the other kinds of things. When people talk about the cost of a college education going up faster than inflation, I always think they must be talking about the total cost for the package we wish we could give every college-aged student—that of a residential, on-campus experience. When I look at the cost of tuition and mandatory fees at most public universities across the country, they parallel the cost of daycare—child daycare. I can’t find very many parents who are screaming about the escalating costs of daycare. It’s almost a non-issue.”

“Yes, yes, the cost is going up, as is everything else. Higher education is not isolated from some of the factors that create cost escalations in other
segments of our economy. First, [we have to pay] competitive salaries in certain fields, for example, where the market forces simply have an undersupply of faculty in some technical areas. Second, we, like everyone else, are subject to rising energy costs, rising healthcare costs, and rising security costs, and those at the IT level, and in terms of the physical security of our campuses. Those costs are exceeding the overall inflation rate, as most people in private industry would tell you.”

“Clearly higher education has a different cost factor than private business, because in private business you can use a consumer price index as an inflation factor, and you can be pretty close to what the costs are around the country, and around the world, to do business. In higher education, you should use the higher education price index, because, on average, 80% to 85% of the costs are built around compensation. With the other models, in business, you probably have anywhere between 55% and 60%. That in itself is an inherent cost that escalates at a higher rate than in other industries.”

“Things that we buy are going up faster than inflation. That’s a hard case to make to the public, because everybody thinks we have a lot of money. They want more money in financial aid.”

The drivers of higher costs. The presidents pointed to a variety of specific factors that are driving costs up, including salaries, healthcare, construction, and, in a post-Virginia Tech world, campus security.

Salaries:

“We are tied into a cost-of-living adjustment from the unions (we’re a right-to-work state). What we try to do is make sure that individuals do not take home less money than they did the year before. That’s kind of a general premise, but it becomes difficult with the cost of healthcare.”

Healthcare:

“Healthcare is a big issue, both in terms of providing increasingly more diverse healthcare and support services for students, particularly in the areas of psychological services and advising, as well as healthcare facilities on campus. Healthcare is also a rising cost with respect to our employees, as we
deal with costs associated with insurance and healthcare benefits. All of these directly affect the bottom line.”

**Infrastructure:**

“We couldn’t get a bidder on a building, and in the year timeframe, the cost of the building increased by about 10 million dollars. If you’re going to be on the cutting edge, you’re going to have to invest in your infrastructure. You’re going to have to invest in your library, and technology, and equipment, in salaries, both for your faculty and your staff, in order to run an effective ship.”

**Safety:**

“In the last three years, we put two million dollars into safety measures. And since Virginia Tech, we’ve put even more money into safety measures and things such as counseling services for students. A lot of the drivers of costs are great things, but the cost of infrastructure goes up.”

**Regulation and compliance.** One of the most frequently mentioned factors is the high cost associated with regulation and compliance with government mandates and oversight.

“We have about a gazillion people working on compliance. The government requires us to do it. Is it reasonable? Do we do too much? At least from where I sit, it looks as though we have an excessive number of people working on this. But if we didn’t have them we would be in violation of the law.”

“I’ve got a vice president for planning and policy who is the lead person in dealing with the state board. She told me yesterday that this fall she spent at least 80% of her time responding to requests for data. That state board is populated with staff members who have never occupied positions as a dean or above in a university, so they don’t have the benefit of that kind of understanding.”

“Another driver that often gets overlooked is that in the 1960s we were virtually unregulated, but today we are a highly regulated industry. Compliance—from security privacy, to accounting, to time and effort
reporting, to hazardous substances, etc.—is a huge cost at universities, and there has been almost zero recognition of that in the funding models.”

“Although higher education at one time in its life was a lightly regulated entity, it has become a more heavily regulated entity. As a consequence, I would think the rate of growth in regulatory compliance costs outpaces inflation quite nicely also.”

Greater demand for services. At the same time, the presidents report a much greater demand for student services, ranging from greater support for students who need remediation, to participating in what one president called “the sauna wars,” where colleges compete for students by offering better non-academic facilities.

“An analogy I often make is that automobiles today cost a lot more than automobiles did in the 1950s. But they also have more features, such as electronic ignition, airbags, lifetime tune-up, etc. Part of the increased cost is that students demand more, and are provided more, on college campuses today. There’s more advising. There are health centers. There are recreation facilities. The product that students are getting is tremendously more inclusive than it was when I went to college, for example. That’s driving the cost in the same way that automobile [features] have been part of the driving of automobile costs.”

“I always think of public higher education as one of the last vestiges of socialism; or at least, that’s what we wish it were, as a country. We wish that higher education were socialist and that we could get every good and service without having to pay for it. We want counseling for kids. We want disability services for kids. We get mandated by the federal government and by the state government to provide more and more and more services, and then they turn around and ask us why the costs are going up. They want to pay $8,000 a year, and for that $8,000 a year, they want a similar educational experience to the kind that a student gets at a private residential institution.”

“The students that we get, as a general rule, need remediation. Those are students coming from pretty good high schools, from not-so-good high schools, from high schools in affluent areas, from high schools in non-affluent areas. Particularly, there’s a problem in math. In some school districts, 90% of the students coming to us need remediation in math.”

“We also have to provide “high-demand” courses. But what is a high-
demand course? It is something students like. One of the high-demand areas here is for courses in psychology. How many more psychologists do we need in life? These things become huge majors at every institution because they are things kids like. We have a dance program that a lot of students like. They don’t major in it, because we don’t have a major, but they take courses.”

"I think there are additional savings that we could realize in terms of how we deliver instruction. Whether they’re enormous or not I’m not sure, but I think there are [potential savings]—through the use of technology, the possibilities of being able to deliver larger course sections more effectively, and in turn reduce some of our costs."

"We have to always make sure, being competitive, that we’re not bloated. Like any competitive business, you’ve got to keep the costs down. Universities very often are like snowballs rolling down the hill. They pick stuff up, and they never shed stuff, so I think that’s an issue. In other words, we’ve got to fund some of what is needed by being efficient. But I also think that increasingly at public universities the students are going to pay a higher share of those costs as we go forward. If the country and the states want robust, high-capacity, high-quality higher education, they will have to pay for it."

"I don’t think there are any more efficiencies left to be squeezed out of public universities across the nation. I’ve worked in my share of states—now six altogether. There are no more efficiencies to be had in most of those states, at least among the public universities. I think we’ll limp along doing with the system that we have and tweaking it a bit here and there, using financial aid as a safety valve for a system that’s fundamentally flawed."

"There’s often the argument made that distance learning can help mitigate these costs. That’s true to some extent, but we find the cost of investing in faculty members to create distance-learning courses often means that we’re
releasing them from other teaching assignments. The time it takes, or the energy it takes, to develop such a course is a costly factor. There’s no easy answer.”

“You could argue that we pay our faculty too much, and that would be driving up costs, but we compare to other institutions and our salaries are lower than some of the private schools. Okay, so you say we are comparing bad guy to bad guy. But how much do you pay a Nobel Prize winner? How much for a member of the National Academy? If you look at people in the workplace, and compare with private industry, I would suggest that university people are underpaid, across the market. The same is true of our staff. Let’s say the inflation rate for higher education is 10%. Could we cut it by a few percentage points? Maybe. Could we cut in half? I don’t believe it.”

“If I knew what higher education could do about containing costs, I could make a lot of money as a consultant.”

**Governance in academic institutions makes efficiencies even more difficult.**

For better or for worse, the shared governance between faculty and administrators in higher education is a fact of life. In turn, this makes it more difficult for universities to be nimble and efficient in enacting cost-saving measures.

“The chief executives of universities do not have the power to move quickly, because of the shared governance structures of universities in which the faculty have a large role in the governance, and the direction, of the institution. The best description I heard is that a university president is like a cross between a CEO of a company and a mayor of a small town with a strong city council.”

“You just mention change, and first the students, and then the faculty go through the ceiling. Actually it is the alums who go first. It’s very comical, but I think it’s also a microcosm of higher education, where, despite everybody’s rhetoric about being open to change, people are almost pathologically nervous about it. Sky-is-falling talk can come along really fast if you just sort of float the question, ‘Why do we do it this way rather than that way?’”

“The typical dean spends an awful lot of his or her time with department chairs and their own faculty. They tend to pride themselves on having a point of view that is a faculty point of view. Therefore, they’re kind of the last
people in the world who feel comfortable with saying to a faculty member, ‘Your production of articles, while the number of articles is fine, really isn’t very worthwhile.’ I guess they can get sued over that. They tend to be the faculty’s men and women. That, I think, is part of the reason why you will have these reform efforts from the top down, but usually they don’t catch on.”

“What I struggle with is gaining acceptance for reforms. The main problem is faculty who don’t see themselves as accountable. They’re somewhat removed from the accountability, and there are no consequences. They say, ‘If I’m a tenured faculty member, do you think I’m accountable to anyone?’”

**PART III: ACCESS**

**WILL HIGHER EDUCATION BE AVAILABLE TO ALL WHO DESERVE A CHANCE?**

*Access is becoming more difficult because state support for higher education is decreasing.* The presidents (especially in state institutions) almost uniformly commented on two trends. On the one hand, their costs are going up for many of the reasons mentioned earlier—higher salaries and healthcare costs, needs for greater campus security and more remedial help for struggling students. At the same time, the contributions from the states are going down. Most of the presidents are concerned that this fact of life, as they see it, will force them to raise tuition costs, placing a greater burden on students and families, and thus making higher education less accessible.

“We are seeing a decline in the funding we receive from the state. That puts a greater burden on local boards to find funds elsewhere, so you either raise local taxes, which they are not much inclined to do if they can avoid it, or you raise tuition and fees. We’ve seen tuition and fees increase 5% a year for the last several years. It’s still inexpensive in the big sweep of things, but it does put additional pressure on students to fund their education.”

“In this country we are not investing, in terms of putting our tax dollars toward the people who should be the leaders of the country. My worry is that, more and more, our public education system is becoming a class system. If you come from a wealthy family, then you can test into the flagship school in your state. If you don’t, then usually the state’s package of financial aid, even though the tuition may be low, is not going to be enough for you to be able to afford to be out of the workforce during those four years of college.”
“I have watched the funding from the state government decrease. It has decreased as a percentage of the budget, per student, or using any other benchmark. And it will inevitably make tuitions go up, which will make state universities less accessible, and more like the privates. I believe that just as with grade school and high school, the state should provide an opportunity for education, since it produces a better-educated citizenry. And by any measures, the students give back far more than the cost of the education.”

“In the past, the predominant pattern had been that at least 50% of the costs of in-state education were paid by the state. That’s fallen well below 30% now. The difference has been made up by the contribution of families. In our case, tuition has just risen precipitously, but it’s that way across the country.”

“We are just deepening the learning gap between the haves and the have-nots. It’s an American tragedy.”

“We have the lowest tuition of any school in our state, but even we wrestle with that, though, and we’re at the lowest end of the spectrum. The fact of the matter is that it’s still a costly venture for far too many students.”

“What I do know is that affordability is a major challenge. With the rising cost of tuition, we are simply pricing ourselves out of the market.”

Lack of preparation also threatens access. Despite the increasing tuitions and fees, most of the presidents believe that higher education is still affordable for nearly all students, especially in the community colleges. But most are worried that access is under threat because so many students do not have adequate academic skills for college work. While they might be able to afford higher education, inadequate preparation at the high school levels means they will not graduate.

“I think access is there for the most part. What I really worry about are the young people of families whose parents have not gone to college, or for whom it’s not a cultural norm. They are simply unaware of where to start in thinking about college. They may not even be prepared to plunk down the 35 dollars to take an SAT or an ACT test. It’s the same family, the same children, that may never walk into a bank, because their parents use check cashing services or whatever. They just don’t know how the institution operates. They don’t know that it’s there as much for them as it is for anyone else.”

“I think the major challenge right now is the pipeline of students. I
would say that the students that are coming up now are less educated than their forefathers. There is a movement for more emphasis on putting rigor, relevance, and relationship back into the public system that will then feed into the higher education system. Right now we are getting fewer people into the pipeline and fewer of them through on a timely basis.”

“We serve 20,000 students, 96% of whom are Hispanic, first generation, very moderate incomes, and have real challenges with college readiness. Their dream is to go to college, but they are not as prepared as we wish they could be.”

“When you start focusing on the number of people that you can bring in, then you don’t look at the fact that in higher education, especially in public institutions, anywhere between 20% and 30% of those people who start won’t be around the second semester. You need to ask yourself the question, ‘Why are they not around?’ I think part of it has to do with the fact that we don’t put enough resources into supporting these students, and building on that quality in terms of competency. We accept them coming out of high school, when one out of five students coming out of high school now has to be tested, and will test into one or more remedial courses.”

“Ninety-seven percent of our incoming students need help with math. Since the average age of our students is 30, this isn’t a complaint about recent high school changes.”

PART IV: QUALITY AND ACCOUNTABILITY

The quality of higher education today is uneven but good. Most of the presidents are deeply concerned about the quality of higher education and, especially because of recent developments such as the Spellings Commission, also are concerned about how to document that quality. In general, however, they believe that the quality of higher education in the United States remains good (but uneven), despite funding cutbacks.

“In general, yes, I do feel that quality is good. I can only base that on my limited experiences, but I do believe that college graduates in general have the kind of skill set and intellectual capability that our country needs. There may be gaps here and there, but overall I’d say we do a very, very good job. One of the great advantages of a U.S. higher education is that young people are stimulated to be individuals and to think creatively.”
“If you compare the for-profits, the publics, and the privates, you would have to say that the quality is uneven. But, I think there are absolutely large segments of the enterprise that are quite productive and excellent. I think one of the things that we have to do is help students make informed choices about the kinds of quality that they are going to be engaging when they select a particular institution.”

“The prevailing economic analyses that I have seen of the lifetime value of a college education to those who receive it would place college education among the finest investments any individual could ever make in themselves or in their long-term well-being. Until we get to the point where the return on investment begins to diminish, or where the return on investment suggests that the cost of education is outsized relative to the benefit that society gets from it, it’s hard for me to get worried about quality, particularly in a marketplace that has so many choices for the consumer of education today.”

“If you understand that the purpose of an education isn’t to produce a mature employee, but to produce someone who can grow into a mature employee under the right conditions, where the business accepts its responsibility for the continuing learning and formation of that employee, then I think we do a magnificent job. Graduates today have more breadth than at any time in our history. They may have less depth in certain areas of the liberal arts. I wish they read more. I wish they read more intelligently, for example. I wish they wrote with more precision. These are all things we work on. But on the basis of breadth, they are way broader than they’ve ever been in technology, in world affairs, in communications, in a whole variety of areas.”

**Higher education in the United States is still the best in the world.** Most of the presidents had thought a lot about American higher education in comparison with what is going on in other countries. Most believe that the U.S. still leads the world. Like leaders in K–12 public education, some objected that international comparisons are invalid because they compare “apples to oranges.” Nonetheless, many were concerned that the greater government funding for overseas universities will put American universities at a disadvantage.

“I think what’s important to remember is that we have far and away the best higher education system anywhere in the world. There’s just no question
about that. Just look at the struggles that Europe is going through right now, trying to modestly reform their higher education system. Then look at the very rigid, rote learning structures that exist in many of the Asian universities. It goes on and on.”

“I have no absolute way to measure the truth in my statement, but I think American higher education provides more access at this time in the history of higher education in the world than any other country. In trying to educate more people, just like our public education system, more challenges are presented that make people think that maybe we’re losing some of our edge. I don’t believe that. I think we are still the world’s largest and most significant producer of an educated population, the source for innovation, for science and discovery, and for job creation. We’re doing it with far more access than most other countries that have dual tracks for who gets educated at a higher level and who doesn’t. I think people are worried because there are some now global reputational studies that are singling out other universities around the globe that seem to be, reputationally at least, producing highly qualified graduates and research, just as we are.”

“I do think that we need to be cognizant of the fact that we are educating a broader base of the population than some of these other countries are, and I think we need to factor that in. Again, I think we can learn from other countries, but we don’t want to lose sight of our democratic responsibility of really trying to educate people to the highest level that we can—all people, not just a select group of people.”

“There’s another dynamic to this that is critically important. Just at a time when we are shifting funding dynamics in the United States, part of the world where we would be very, very competitive—India and China, for example—is putting an entirely different perspective of public funding into escalating both the quality and the accessibility of higher education. From a global competitiveness and a global stability point of view, not just industrial competitiveness, we are placing ourselves at a disadvantage.”
Quality and accountability. In the minds of most of our respondents, the discussion of the quality of U.S. higher education has now been broadened to include the question of how institutions can document and be accountable for producing that quality. They are hearing calls for accountability from accrediting agencies, state and local government, the media, and parents. The presidents were nearly unanimous in saying that their institutions should be accountable; at the same time, however, they felt that many of the current approaches to accountability are more harmful than helpful.

“Higher education has to state unequivocally its willingness to be held accountable. It cannot resist or fight that. But higher education also needs to participate in the discussions of ‘accountable for what.’ Higher education needs to be able to contribute to the definition of what they’re being held accountable for.”

“I think we do need accountability at the community college level and at the four-year college university level. There is some resistance to this accountability, but a lot of the resistance is there because there is mistrust of how the accountability will work. There is a real risk of teaching to a test, and not really teaching students to think critically and do the things that business leaders talk about wanting us to do. There is also a risk from the legislators wanting a quick fix on things that you don’t fix quickly. Accountability needs to be used to help us improve and learn from one another and get better. It doesn’t need to be used as a club, or a stick, or an excuse not to fund schools.”

“I see confusion and misunderstanding in the calls for accountability. They don’t understand the rising cost of tuition. They don’t understand that we’re serving students who aren’t prepared to go to college. They don’t understand the social commentary and social position of a few tenured faculty who have run amok. Some idiot at University of Colorado gives higher ed a black eye, and we’re all indicted because they think we all hire idiots of that caliber. That’s what I see.”

“That’s what makes it hard to measure, because we’re so inclined to say, ‘Give me a number, give me a percent.’ It’s much more complicated than that. We’re at a new sort of frontier with respect to accountability, because we’re trying to now measure some things which are more difficult to measure. How do you measure, for example, whether a student is better prepared to be a good citizen?”
“Another big challenge is the discussion of accountability and testing. To me as the leader of a major university, it is astonishing that we would be talking about testing people as they came out. But I could imagine people in the (public) schools saying the same thing a few years ago.”

“Mission creep”—another threat to quality. “Mission creep” is a concern raised by some critics of higher education. They are basically describing the tendency for less selective institutions to attempt to move up the ladder, so to speak, to compete with institutions at a higher rung. An example might be a strong undergraduate teaching school that attempts to transform itself into a research institution, often raising costs while becoming only a mediocre, rather than top-notch, research institution. The presidents were divided about this movement, with some criticizing and others defending it.

“I think we are well-served with a great deal of horizontal differentiation in the education market. There is a huge role for junior colleges. There is a big role, frankly, for technical, non-baccalaureate training. We need small liberal-arts-style schools. We need big research universities. I think it is a bad idea for every university to think, ‘The only way we’ll make a name for ourselves is to be sort of a lukewarm Michigan.’ I do think that is misguided. If I were the president of ‘Local Town State,’ I would strive for excellence at the very top, but defined by what that niche meant. We are not well-served by having everybody in a lukewarm way pursuing a single model of higher education.”

“I think it is true that schools want to grow out of their mission. I think that it’s a natural for any organization to want to move up the pecking order—and there are definitely pecking orders in higher education. Just look at community colleges. Community colleges are doing a whole lot more these days than they used to, such as economic development. I don’t know whether you call it mission creep or whatever, but it is definitely becoming rampant.”

“Evidence of mission creep seems to be everywhere, but when I sit and I look at a full range of institutions—from community colleges through research universities—I see them talk about what they’re trying to do and what they’re trying to accomplish. They don’t sit there and say to you, ‘We’re trying to compete with Harvard.’ They sit there and say, ‘We’re trying to serve our constituency.’ I truly believe that they mean that. When community colleges in rural areas say, ‘We want to offer four-year degrees,’ I never get the impression that they’re trying to offer four-year degrees because they’re trying to become Harvard. I get the impression they’re trying to offer four-year degrees because they serve a rural area where it’s impossible for students
to get four-year degrees if the community college doesn’t figure out a way to provide it—because the distance is too great for people to travel. They believe in an access mission. I don’t believe that everybody is trying to move up to the next level as a goal.”

**Alternative voices.** The picture we have just painted is shared, in part, by many of the presidents we interviewed. But other presidents disagreed, and sided more with the critics of higher education. In their view, higher education is out of touch with changing realities and suffers from many of the same structural flaws that have harmed the healthcare system.

“Years ago I heard a speaker from the auto industry who asked, ‘What happened to the auto industry in the 1970s? It wasn’t bad design. It wasn’t planned obsolescence. It wasn’t unions. Fundamentally, it was hubris. It was a belief that the American automobile industry had always built the best vehicles, always would, and that the public would buy whatever we built. We saw our problem not as a product problem, but as a marketing problem. We went to Madison Avenue and we hired new ad agencies, and we fired ad agencies, and we hired others. After we went through two or three of these cycles, we realized that this was not a marketing problem.’ In other words, the automakers assumed that the problem was that the public didn’t understand how good these vehicles were. If they only understood, then they would buy them. That’s a classic example of a very, very mature industry losing touch with the people they’re serving. I sometimes believe that higher education has to be cautious of the same kind problem. We are, at this point in our history, a very mature industry. I think I see among some institutions a kind of losing touch with the stakeholders, and an unwillingness to listen. I can sit here and I can make the case for this university being the best buy anybody could ever want. It’s cheaper. The tuition here is cheaper than private high schools in this area or even than parochial high schools. That should make me feel good. It doesn’t make the public feel good, because they’re still talking about costs. I can figure out all kinds of convenient ways to blow that off. What I’m saying is that mature industries have to be careful. I think higher education could suffer if we’re not cautious, from the same problems that the auto industry suffered 30 years ago that I just described.”

“The three big issues now are access, affordability, and accountability, but these are reflections of a deeper transition that higher education is going through. We are like the healthcare industry. We have the same issues: We are a labor-intensive industry that refuses to look at economies of scale; we are
overly regulated; and we rely on third-party payments that impinge upon market forces. In other words, these problems are reflections of structural issues that plague higher education.”

**Part V: The Way Forward**

**Solutions.** The presidents we interviewed typically had a conception of where the nation needs to move in order to maintain access, quality, and affordability. Some of the main ideas:
- Government reinvestment and reprioritization to increase higher education funding.
- Improving K–12 and pre-K education.
- Developing partnerships with the private sector.
- Higher tuition and fees and more financial aid.
- A greater role for community colleges, by educating more students at lower cost.
- Adopting voluntary accountability measures.

**Public reinvestment.** Most of our respondents called for a major rethinking and reprioritization of the role of higher education, which would translate into significant public reinvestment in higher education. Although most are not optimistic that this will actually happen, many strongly believe that governments should define higher education as a public good (which should be supported by the community), rather than as a private good (which should be supported by individuals). And they feel that such a definition should lead to greater funding for higher education.

“Public policy priorities are shifting in a direction that’s not favorable to higher education. I think there are numerous, very intensely competing demands for that money—healthcare costs, criminal justice costs, infrastructure costs, continuing pressure to lower the levels of taxation—which legislators are very responsive to, and certainly that affects public institutions. There are competing demands for resources, and a continuing effort to limit taxation. Really, without much public policy debate about the importance of higher education, decisions are being made which make it clear higher education is not as valued as it should be.”

“One of the huge challenges is the complete focus on private goods and private interests, and the abandonment, almost to the point of amnesia, of the
public purposes of education.”

“We seem to be moving away from education as a public good, to education as a private good. That, of course, then comes down to a basic question. If it’s more a private good than a public good, the private person ought to be paying for it. Unfortunately, that leaves out a lot of the people that we’ve been talking about that we need to educate.”

“Where are our priorities? I think they need to be on education. If we do education right, we ultimately spend less money on healthcare, less money on social services, less money on prisons. So, in the long term, that investment pays off.”

“I think that there is adequate money. It is a matter of priorities, and it’s a matter of thinking strategically for the long term. There is absolutely no evidence that we do not have adequate resources to fund public higher ed, or fund K–12 for that matter. We have chosen not to do that. We have made a conscious choice about what our priorities are, broadly speaking. I think we are paying a price for that priority setting. Other countries with fewer resources per capita are doing a better job than we in terms of providing access and funding to higher education as well to K–12.”

“It is pretty scary. They can tell you how many people will be incarcerated 15 years out. Where are our priorities? Why would you want to spend $24,000, $30,000 a year incarcerating someone, when you can put that money into fundamental education, basic education, critical thinking skills, and get them through high school, and with an expectation that they will go into a solid work career, a career in technical ed, or to college?”

**Improve pre-college education.** One of the biggest complaints of college presidents was that students are coming into higher education without adequate preparation. Their solution is to revamp K–12 and the pre-K experience, and they argue that universities and colleges must be a part of that effort.

“In some cities, less than 50% of the students who actually initiate their elementary school work in public education institutions are going to graduate. I feel this is both a responsibility and an opportunity for higher education to join, not only with these struggling school systems, but with other community agencies, to create more access. Since the predominant population in our metropolitan areas or urban areas is persons of color, if we get that pipeline right, we can fix this problem. We can’t fix it if we only start at the moment
when students who have had less opportunity apply as freshmen to college. We have to go much deeper into the pipeline, some would say at birth, because of the centrality of early childhood to a child’s ability to come to school ready to learn. I do not sit in an institution where I consider that my responsibilities begin and end with admission to the university.”

“To me the key to access to university life begins in infancy. I happen to think that if we can deal with issues related to early childhood care and nutrition, if we take proper care of preschool and grade school, and if we do the work that No Child Left Behind—whatever you feel about the individual policies—is motivated by, as long as those kids can be identified and moderately well-trained, if not beautifully trained, I do think now we have a university system in the United States to receive them.”

“When I look at the whole issue of the achievement gap, and why students are coming to us so under-prepared, it needs to be looked at within a community context. Sure, we can blame the schools and look at steps towards that. Again, it has to do with everything from early childhood education to the circumstances in which people live, issues of poverty, issues of hunger, issues of poor access to healthcare. I’m often concerned that people seem to forget that not everyone is driving a Lexus.”

“We need to develop a new attitude towards higher education. It doesn’t begin in the 11th and 12th grades. It requires partnerships with parents, with school districts, and obviously with the students and members of communities, in order to help students and their parents understand what they need to do in order to be prepared for college. That’s an appropriate role for higher education to provide—clarity and encouragement. If we do that well, I think we can see more folks inclined to go onto college, and hopefully better prepared, which mitigates at least somewhat the costs for remediation that now take up such a healthy part of our operating budgets.”

**Partnerships with the private sector.** The presidents also saw closer relationships with the private sector as playing an increasingly important role. In part, of course, this will involve fundraising (and many state institutions say they are stepping up their development efforts), but it would also involve joint partnerships for research and training. The hope is that private sector support will supplement the efforts of government and the greater efficiencies of institutions of higher education. One effect of this trend may be to further blur the distinction between public and private institutions.
“That’s the reason why universities are becoming a whole lot more entrepreneurial. There is much more emphasis on private funding, and private fundraising, and much more emphasis on partnerships, including partnerships with corporations including research partnerships. Then of course there are also the usual sources: the taxpayers, and the students, and their parents.”

“It is going to have to be a shared responsibility, I think, particularly for public institutions. I think they’re going to have to have a more realistic sense of what the cost of a higher education is, particularly in addressing the needs of learners who have special requirements. I think we can find partners on a private level—foundations and individuals who are providing financial support as well as providing the materials that we can use for the needs of this group of learners, and who support the ways in which we can become more experienced at dealing with the needs of those learners. There is no simple solution to how we will find economies of scale and manage our own house in these regards, but I think it will have to be a partnered approach of those elements.”

“I think you’re seeing them turn to another alternative, which the private system for ages has actually turned to: the private sector. You’re beginning to see massive fundraising activities from the public realm into the private realm. They’re becoming basically indistinguishable, except for the considerable amount of money, or some money, they still get from their state.”

**Higher fees and more financial aid.** Students and families will, in the view of most of the presidents, also need to be part of the equation by paying more for their education. The view of many of the presidents is that public education, at least, is still a very good value for the money, and that many families can and should be able to pay more. The presidents also believe that any increase in tuition and fees should be accompanied by an increase in financial aid, to offset the impact on those who are unable to afford the price of education.

“On the other hand, if a student comes out with a $15,000 debt after four years, maybe that’s not so unreasonable. I don’t think that amount is unreasonable, because those students are going to take that degree, and they’re going to go out, and they’re going to buy a $20,000 car that’s maybe going to last for four years, or five years. They’re quite willing to go into debt for that $20,000 car, or $15,000 car, but for some reason they think they’re
overpaying in terms of the cost of their education. I think you also have to facilitate some for those students who can’t afford it.”

“A well-to-do doctor was bragging that he didn’t pay a cent to see either of his kids go to the state university. This doesn’t make sense. This is not a guy who needed his kids to get a free ride to college, especially when you’ve got first generation college kids, minority kids, and kids from illegal immigrant homes who have to work three jobs in order to make it through school. No wonder they don’t persist to graduation.”

“I think students and families will, over the years, continue to bear an increasing burden of the cost of public higher education.”

“In our state system, student fees account for less than 30% of the true cost of their education. That’s a bargain nationwide, where it’s more like 45% at similar institutions in other states. Nevertheless, our student fees are increasing, and it’s likely the students’ share of the cost of public institutions will continue to increase. That puts a burden on financial resources to support those students, such as scholarships, and we need to do a lot of our work in raising private support—to raise private support for scholarships, even at a public university.”

**Community colleges.** There was wide support among the presidents of four-year institutions for the idea that community colleges can play a major role in keeping education affordable, by educating large numbers of students at a lower cost. Community college presidents acknowledge this, but they also feel as though they are at the bottom of the food chain, in terms of receiving the students most in need of help, while simultaneously receiving the least financial support and cooperation.

“Community colleges, I think, are the key to getting students in that education pipeline, particularly those that are traditionally underserved. We do a pretty good job already, but we could do a lot better.”

“I think we’re sitting on an incredible, incredible segment of our higher education continuum that we have not developed sufficiently, and have not funded sufficiently, and that is the community colleges. They’re somewhat adrift. They’re very good, but they’re somewhat adrift. We haven’t found that place in there for them to be very productive and to increase access. Part of it is perception, and part of it is that it’s sort of an afterthought in the continuum. There’s a heavy-duty marketing issue here that has to take place.”
“Community colleges are less expensive, and that reduces the burden substantially, I think, on the family, and also on the state. I think institutions have a real obligation to create bridge opportunities—articulation opportunities—for students between community colleges and universities. Again, with half our students coming to us in that mode, it’s had a salutary effect on the cost to families and students.”

“Concretely, I think community colleges should have a lot more investment in them for their really academic programs. There’s an awful lot of those legislators who feel that if they’re going to help community colleges, it’s simply to turn out people who can use a welding machine, or who have other skills.”

“This is a kind of a bias from a community college person, but I think that the state has always been willing to provide more funds for four-year colleges and universities than they have for community colleges. I feel that community college has kind of gotten left out. However, if you talk to our colleagues at four-year colleges and universities, they’re going to tell you that the amount of money they’ve been getting from the state is also diminishing.”

“There is a lack of coordination amongst higher educational institutions when it comes to accepting credits. People swirl in and out of academic institutions, earn credit, spend a lot of money and time, and it doesn’t go towards the credential. If we really are serious about success, we need to deal with that and really have cooperation between centers in higher education that will allow people to make meaningful use of their work.”

**Voluntary accountability.** A number of the presidents praised the recent efforts at creating a voluntary accountability system, feeling that these steps would address recent concerns about the need for greater higher education accountability.

“I think [the voluntary system] is a pretty darn good effort to address some of these questions (about accountability). And while we don’t have the definitive measures, we are at least committed to experimenting with vehicles, measures, metrics, proxies that will help us get a little closer.”

“It is a very important issue. I think that higher education is taking steps to be more accountable. You may be familiar with the voluntary system of accountability; two of the public higher ed associations have led that effort. I think that’s a major step forward in institutions being accountable and
providing that information in a clear and understandable way.”

“The National Association of State Universities and Land-Grant Colleges (NASULGC) is having the discussion, not on how we test students, but on how do we do accountability. If we can communicate that effectively, then the issue of accountability will take care of itself.”

“I am very, very excited about things like the joint NASULGC and AASCU (American Association of State Colleges and Universities) effort to develop this voluntary system of accountability. We don’t want to leap into the forced track that I think Margaret Spellings and others had envisioned. If we can come up with a way of demonstrating that we have impact, and somehow getting our arms around the metrics that express that, I think we’ll be doing ourselves and the future of the country a great favor. I’m guardedly optimistic. We have in higher education such a difficult time showing the impact of what we do, whether it’s a department that is making a change in a curriculum or a university that’s refocusing its efforts to be more fully engaged in economic development. We just don’t do a very good job of being able to account for all of that in the same way that a business can, for example, demonstrate the impact on the bottom line.”
Afterword

It would be highly surprising if university presidents, leaders outside of higher education, and the general public saw eye-to-eye on all the diverse problems and issues confronting American higher education. Tension and differing perspectives between these groups are not only inevitable, but important. Difference among stakeholders can be healthy if they are the basis for constructive engagement that ultimately leads to new or renewed consensus about the role of higher education and responsibility for its support.

At the most abstract level, there is general consensus in the United States that higher education is more central than ever to maximizing individual opportunity and securing the country’s prosperity in the knowledge-based global economy. However, this report, and other studies conducted by Public Agenda and the National Center over the last decade and a half have documented widening gaps between the perceptions of civic, governmental and business leaders, higher education leaders, and the general public about the most fundamental issues confronting American higher education. To paraphrase the introduction to this report, the absence of consensus about how problems are defined undermines the quality of discussion and debate. Solutions are unlikely when the public, leadership groups, and higher education leaders each accept only the solutions that match their particular definition of the problem.

Throughout the history of higher education in the United States, from the founding of the colonial colleges to the era of mass higher education and the modern research university that emerged after World War II, the perennial goals of American higher education have been access, quality, efficiency, and accountability. Each era has reinterpreted these goals in the context of societal needs, public purposes, and the aspirations and capacities of colleges and universities. Today, the issues are framed by the expansion of the knowledge-based global economy and the demographic and economic challenges of the 21st century. History suggests that neither the definitions of—nor the solutions for—these problems are likely to be resolved in a neat or linear process. But simply muddling through has serious costs. The contemporary gap in perceptions between the public, civic, governmental and business
leaders on the one hand, and college and university presidents on the other, has already eroded public confidence in higher education and its leadership. Equally important, these differences often impede constructive discussion and debate.

The positions can be summarized as follows:

• College and university presidents (as this report shows) tend to view cost-quality-access as an “iron triangle,”—critical values locked in a zero-sum relationship. While they believe they can and should and will work for greater efficiency, they are convinced that the greatest efforts and contributions to assuring higher education’s effectiveness must come from students and parents, K–12 education, government, and the private sector.

• The public does not see it this way. As our surveys have shown, more than half of the public say that higher education could spend a lot less and still maintain high quality. Almost 60% believe that colleges could enroll a lot more students without compromising quality or increasing tuition. Much of the public doubts whether institutions of higher education are making serious efforts to control costs. Many believe that higher education today is placing economic self-interest about educational values.

• Similarly, many civic, business, and government leaders voice concerns that higher education institutions have, at best, only begun to address cost-effectiveness, and—as the presidents themselves report—are urging that higher education be more productive and more accountable.

Consequently, at a time when the performance of higher education is more central than ever to the success of our society, the public discourse reflects the lack of consensus about the definition of core issues and the responsibility for addressing them. The public and leaders outside higher education do not accept the issues as seen by many higher education leaders themselves—and vice versa.

For resolution to come about, the stakeholders inside and outside higher education will first have to find common ground on the nature of the problem. This report’s description of the “iron triangle” is, I believe, a
contribution to that process. While we cannot yet anticipate what shape the consensus and compromises will take, we hope that this report can at least frame the problem and open the door to more constructive and effective dialogue.

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About Public Agenda

Founded in 1975 by social scientist and author Daniel Yankelovich and former U.S. Secretary of State Cyrus Vance, Public Agenda works to help the nation’s leaders better understand the public’s point of view and to help average citizens better understand critical policy issues. Our in-depth research on how citizens think about policy has won praise for its credibility and fairness from elected officials of both political parties and from experts and decision-makers across the political spectrum. Our citizen education materials and award-winning Web site, publicagenda.org, offer unbiased information about the challenges the country faces. Recently recognized by Library Journal as one of the web’s best resources, Public Agenda Online provides comprehensive information on a wide range of policy issues.
The National Center for Public Policy and Higher Education

The National Center for Public Policy and Higher Education promotes public policies that enhance Americans’ opportunities to pursue and achieve high-quality education and training beyond high school. As an independent, nonprofit, nonpartisan organization, the National Center prepares action-oriented analyses of pressing policy issues facing the states and the nation regarding opportunity and achievement in higher education—including two- and four-year, public and private, for-profit and nonprofit institutions. The National Center communicates performance results and key findings to the public, to civic, business, and higher education leaders, and to state and federal leaders who are in positions to improve higher education policy.

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The Iron Triangle: College Presidents Talk About Costs, Access, and Quality (October 2008, #07-6). This report by Public Agenda explores how college and university presidents view higher education today. Researchers surveyed the presidents on topics including cost, access, and quality, and found a disconnect between the presidents’ perspectives on higher education and that of the general public.

Partnerships for Public Purposes: Engaging Higher Education in Societal Challenges of the 21st Century (April 2008, #07-5). This report summarizes the discussion from an invitational roundtable that engaged fifteen leaders in higher education. The essay finds that colleges and universities have become preoccupied with advancing their prestige instead of achieving publicly defined purposes, and calls for the restoration of a greater sense of public purpose to learning in ways that directly meet the country’s educational needs for the 21st century.

Good Policy, Good Practice: Improving Outcomes and Productivity in Higher Education: A Guide for Policymakers, by Patrick M. Callan, Peter T. Ewell, Joni E. Finney, and Dennis P. Jones (November 2007, #07-4). This report describes a wide range of successful strategies that states can draw from to increase the educational attainment of their residents while holding down higher education costs. The report also identifies five policy levers that state leaders can use to achieve their overall goals for higher education and, more
specifically, to implement the strategies for increasing educational attainment levels.

*Investigating the Alignment of High School and Community College Assessments in California*, by Richard S. Brown and David N. Niemi (May 2007, #07-3). This study, in examining the math and English expectations for high school students entering California’s community colleges, reveals the degree of alignment between what students master in high school versus what is expected for college-level work.

*Squeeze Play: How Parents and the Public Look at Higher Education Today*, by John Immerwahr and Jean Johnson (May 2007, #07-4). This report by Public Agenda explores how the American public views higher education today. Funding for the research was provided by Lumina Foundation for Education as part of its Making Opportunity Affordable initiative.


*California Community Colleges: Making Them Stronger and More Affordable*, by William Zumeta and Deborah Frankle (March 2007, #07-1). This report examines the effectiveness of statewide policies in assisting the California Community Colleges in meeting their mandate for affordability, and makes recommendations in light of today’s public needs.

*Measuring Up Internationally: Developing Skills and Knowledge for the Global Knowledge Economy*, by Alan Wagner (September 2006, #06-7). In comparing the performance of the United States in higher education with that of advanced, market-economy countries across the globe, this report finds that the United States’ leadership position has eroded.

*Measuring Up 2006: The National Report Card on Higher Education* (September 2006). *Measuring Up 2006* consists of a national report card for higher education (report #06-5) and 50 state report cards (#06-4). The purpose of *Measuring Up 2006* is to provide the public and policymakers with information to assess and improve postsecondary education in each state. For the first time, this edition offers international comparisons with states and the nation as a whole. Visit www.highereducation.org to download *Measuring Up 2006* or to make your own comparisons of state performance in higher
education.


*Checks and Balances at Work: The Restructuring of Virginia’s Public Higher Education System*, by Lara K. Couturier (June 2006, #06-3). This case study of Virginia’s 2005 Restructured Higher Education Financial and Administrative Operations Act examines the restructured relationship between the commonwealth and its public colleges and universities. The act gives more autonomy to the public colleges but checks it with new accountability targeted directly to the needs of the state.

*American Higher Education: How Does It Measure Up for the 21st Century?* by James B. Hunt Jr. and Thomas J. Tierney with a foreword by Garrey Carruthers (May 2006, #06-2). These essays by former Governor James B. Hunt Jr. and business leader Thomas J. Tierney lay out in succinct fashion the requirements of both our nation and our states for new and higher levels of performance from America’s colleges and universities.

*Claiming Common Ground: State Policymaking for Improving College Readiness and Success*, by Patrick M. Callan, Joni E. Finney, Michael W. Kirst, Michael D. Usdan, and Andrea Venezia (March 2006, #06-1). To improve college readiness and success, states can develop policies that better connect their K–12 and postsecondary education systems. However, state action in each of the following policy areas is needed to create college-readiness reform: alignment of coursework and assessments; state finance; statewide data systems; and accountability.

*Measuring Up on College-Level Learning*, by Margaret A. Miller and Peter T. Ewell (October 2005, #05-8). In this report, the National Forum on College-Level Learning proposes a model for evaluating and comparing college-level learning on a state-by-state basis, including assessing educational capital. As well as releasing the results for five participating states, the authors also explore the implications of their findings in terms of performance gaps by race/ethnicity and educating future teachers.

*The Governance Divide: A Report on a Four-State Study on Improving College Readiness and Success*, by Andrea Venezia, Patrick M. Callan, Joni E. Finney, Michael W. Kirst, and Michael D. Usdan (September 2005, #05-3). This report, supported by case studies in Florida, Georgia, New York, and Oregon, identifies and examines policy options available to states that are interested in
creating sustained K–16 reform.


*Borrowers Who Drop Out: A Neglected Aspect of the College Student Loan Trend*, by Lawrence Gladieux and Laura Perna (May 2005, #05-2). This report examines the experiences of students who borrow to finance their educations, but do not complete their postsecondary programs. Using the latest comprehensive data, this report compares borrowers who drop out with other groups of students, and provides recommendations on policies and programs that would better prepare, support, and guide students—especially low-income students—in completing their degrees.

*Case Study of Utah Higher Education*, by Kathy Reeves Bracco and Mario Martinez (April 2005, #05-1). This report examines state policies and performance in the areas of enrollment and affordability. Compared with other states, Utah has been able to maintain a system of higher education that is more affordable for students, while enrollments have almost doubled over the past 20 years.

*Measuring Up 2004: The National Report Card on Higher Education* (September 2004). *Measuring Up 2004* consists of a national report card for higher education (report #04-5) and 50 state report cards (#04-4). The purpose of *Measuring Up 2004* is to provide the public and policymakers with information to assess and improve postsecondary education in each state. For the first time, this edition provides information about each state’s improvement over the past decade. Visit www.highereducation.org to download *Measuring Up 2004* or to make your own comparisons of state performance in higher education.


*Ensuring Access with Quality to California’s Community Colleges*, by
Gerald C. Hayward, Dennis P. Jones, Aims C. McGuinness, Jr., and Allene Timar, with a postscript by Nancy Shulock (May 2004, #04-3). This report finds that enrollment growth pressures, fee increases, and recent budget cuts in the California Community Colleges are having significant detrimental effects on student access and program quality. The report also provides recommendations for creating improvements that build from the state policy context and from existing promising practices within the community colleges.

Public Attitudes on Higher Education: A Trend Analysis, 1993 to 2003, by John Immerwahr (February 2004, #04-2). This public opinion survey, prepared by Public Agenda for the National Center, reveals that public attitudes about the importance of higher education have remained stable during the recent economic downturn. The survey also finds that there are some growing public concerns about the costs of higher education, especially for those groups most affected, including parents of high school students, African-Americans, and Hispanics.

Responding to the Crisis in College Opportunity (January 2004, #04-1). This policy statement, developed by education policy experts at Lansdowne, Virginia, proposes short-term emergency measures and long-term priorities for governors and legislators to consider for funding higher education during the current lean budget years. Responding to the Crisis suggests that in 2004, the highest priority for state higher education budgets should be to protect college access and affordability for students and families.

With Diploma in Hand: Hispanic High School Seniors Talk About Their Future, by John Immerwahr (June 2003, #03-2). This report by Public Agenda explores some of the primary obstacles that many Hispanic students face in seeking higher education—barriers that suggest opportunities for creative public policy to improve college attendance and completion rates among Hispanics.

Purposes, Policies, Performance: Higher Education and the Fulfillment of a State’s Public Agenda (February 2003, #03-1). This essay is drawn from discussions of higher education leaders and policy officials at a roundtable convened in June 2002 at New Jersey City University on the relationship between public purposes, policies, and performance of American higher education.

released in 2000, grades each state on its performance in five key areas of higher education. *Measuring Up 2002* also evaluates each state’s progress in relation to its own results from 2000.


*State Policy and Community College-Baccalaureate Transfer*, by Jane V. Wellman (July 2002, #02-6). This report recommends state policies to energize and improve higher education performance regarding transfers from community colleges to four-year institutions.

*Fund for the Improvement of Postsecondary Education: The Early Years* (June 2002, #02-5). The Fund for the Improvement of Postsecondary Education (FIPSE) attained remarkable success in funding innovative and enduring projects during its early years. This report, prepared by FIPSE’s early program officers, describes how those results were achieved.

*Losing Ground: A National Status Report on the Affordability of American Higher Education* (May 2002, #02-3). This national status report documents the declining affordability of higher education for American families, and highlights public policies that support affordable higher education. It provides state-by-state summaries as well as national findings.

*The Affordability of Higher Education: A Review of Recent Survey Research*, by John Immerwahr (May 2002, #02-4). This review of recent surveys by Public Agenda confirms that Americans feel that rising college costs threaten to make higher education inaccessible for many people.

*Coping with Recession: Public Policy, Economic Downturns, and Higher Education*, by Patrick M. Callan (February 2002, #02-2). This report outlines the major policy considerations that states and institutions of higher education face during economic downturns.

*Competition and Collaboration in California Higher Education*, by Kathy Reeves Bracco and Patrick M. Callan (January 2002, #02-1). This report argues that the structure of California’s state higher education system limits the system’s capacity for collaboration.

*Measuring Up 2000: The State-by-State Report Card for Higher Education* (November 2000, #00-3). This first-of-its-kind report card grades each state on its performance in higher education. The report card also provides
comprehensive profiles of each state and brief states-at-a-glance comparisons.


*Some Next Steps for States: A Follow-up to Measuring Up 2000*, by Dennis Jones and Karen Paulson (June 2001, #01-2). This report suggests a range of actions that states can take to bridge the gap between state performance identified in Measuring Up 2000 and the formulation of effective policy to improve performance in higher education.

*A Review of Tests Performed on the Data in Measuring Up 2000*, by Peter Ewell (June 2001, #01-1). This review describes the statistical testing performed on the data in Measuring Up 2000 by the National Center for Higher Education Management Systems.

*Recent State Policy Initiatives in Education: A Supplement to Measuring Up 2000*, by Aims C. McGuinness, Jr. (December 2000, #00-6). This supplement highlights education initiatives that states have adopted since 1997–1998.

*Assessing Student Learning Outcomes: A Supplement to Measuring Up 2000*, by Peter Ewell and Paula Ries (December 2000, #00-5). This report is a national survey of state efforts to assess student-learning outcomes in higher education.


*A State-by-State Report Card on Higher Education: Prospectus* (March 2000, #00-1). This document summarizes the goals of the National Center’s report-card project.

*Great Expectations: How the Public and Parents—White, African-American, and Hispanic—View Higher Education*, by John Immerwahr with Tony
This report by Public Agenda finds that Americans overwhelmingly see higher education as essential for success. Survey results are also available for the following states:


Great Expectations: How Floridians View Higher Education (August 2000, #00-2c).


Great Expectations: How Illinois Residents View Higher Education (October 2000, #00-2h).

State Spending for Higher Education in the Next Decade: The Battle to Sustain Current Support, by Harold A. Hovey (July 1999, #99-3). This fiscal forecast of state and local spending patterns finds that the vast majority of states will face significant fiscal deficits over the next eight years, which will in turn lead to increased scrutiny of higher education in almost all states, and to curtailed spending for public higher education in many states.

South Dakota: Developing Policy-Driven Change in Higher Education, by Mario Martinez (June 1999, #99-2). This report describes the processes for change in higher education that government, business, and higher education leaders are creating and implementing in South Dakota.

Taking Responsibility: Leaders’ Expectations of Higher Education, by John Immerwahr (January 1999, #99-1). This paper reports the views of those most involved with decision-making about higher education, based on focus groups and a survey conducted by Public Agenda.

The Challenges and Opportunities Facing Higher Education: An Agenda for Policy Research, by Dennis Jones, Peter Ewell, and Aims McGuinness, Jr. (December 1998, #98-8). This report argues that due to substantial changes in the landscape of postsecondary education, new state-level policy frameworks...
must be developed and implemented.

**Higher Education Governance: Balancing Institutional and Market Influences**, by Richard C. Richardson, Jr., Kathy Reeves Bracco, Patrick M. Callan, and Joni E. Finney (November 1998, #98-7). This publication describes the structural relationships that affect institutional effectiveness in higher education, and argues that state policy should strive for a balance between institutional and market forces.


**The Challenges Facing California Higher Education: A Memorandum to the Next Governor of California**, by David W. Breneman (September 1998, #98-5). This memorandum argues that California should develop a new Master Plan for Higher Education.

**Tidal Wave II Revisited: A Review of Earlier Enrollment Projections for California Higher Education**, by Gerald C. Hayward, David W. Breneman, and Leobardo F. Estrada (September 1998, #98-4). This review finds that earlier forecasts of a surge in higher education enrollments were accurate.

**Organizing for Learning: The View from the Governor’s Office**, by James B. Hunt Jr., chair of the National Center for Public Policy and Higher Education, and former governor of North Carolina (June 1998, #98-3). This publication is an address to the American Association for Higher Education concerning opportunity in higher education.

**The Price of Admission: The Growing Importance of Higher Education**, by John Immerwahr (Spring 1998, #98-2). This report is a national survey of Americans’ views on higher education, conducted and reported by Public Agenda.

**Concept Paper: A National Center to Address Higher Education Policy**, by Patrick M. Callan (March 1998, #98-1). This concept paper describes the purposes of the National Center for Public Policy and Higher Education.
Other Reports by the National Center and Public Agenda

*Squeeze Play: How Parents and the Public Look at Higher Education Today,* by John Immerwahr and Jean Johnson (May 2007, #07-4). This report explores how the American public views higher education today.

*Public Attitudes on Higher Education: A Trend Analysis, 1993 to 2003,* by John Immerwahr (February 2004, #04-2). This public opinion survey reveals that public attitudes about the importance of higher education have remained stable during the recent economic downturn. The survey also finds that there are some growing public concerns about the costs of higher education, especially for those groups most affected, including parents of high school students, African-Americans, and Hispanics.

*With Diploma in Hand: Hispanic High School Seniors Talk About Their Future,* by John Immerwahr (June 2003, #03-02). This report explores some of the primary obstacles that many Hispanic students face in seeking higher education—barriers that suggest opportunities for creative public policy to improve college attendance and completion rates among Hispanics.

*The Affordability of Higher Education: A Review of Recent Survey Research,* by John Immerwahr (May 2002, #02-4). This review of surveys confirms that Americans feel that rising college costs threaten to make higher education inaccessible for many people.

*Great Expectations: How the Public and Parents—White, African-American, and Hispanic—View Higher Education,* by John Immerwahr with Tony Foleno (May 2000, #00-2). This report finds that Americans overwhelmingly see higher education as essential for success. Survey results are also available for the following states:


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Taking Responsibility: Leaders’ Expectations of Higher Education, by John Immerwahr (January 1999, #99-1). This paper reports the views of those most involved with decision-making about higher education, based on focus groups and a survey.


Enduring Values, Changing Concerns: What Californians Expect from Their Higher Education System, by John Immerwahr (March 1997, #97-1). This report revisits many of the same issues discussed in The Closing Gateway through another statewide sample of opinions. This report shows which attitudes endured from 1993 to 1997, and which changed in response to new developments in the state.

Preserving the Higher Education Legacy: A Conversation with California Leaders, by John Immerwahr with Jill Boese (March 1995, #95-3, ED #381069). Based on interviews with 29 California leaders regarding their views of higher education, this report highlights major findings, including a concern that the policy discussion in higher education and the state has become insulated and ineffective.

The Closing Gateway: Californians Consider Their Higher Education System, by John Immerwahr and Steve Farkas (September 1993, #93-6). This report includes the results of a statewide survey of Californians to better understand public values and expectations for higher education.