
Squeeze Play 2010: Continued Public Anxiety on Cost, Harsher Judgments on How Colleges Are Run

A Joint Project of The National Center for Public Policy and Higher Education and Public Agenda



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SQUEEZE PLAY 2010

■ Introduction

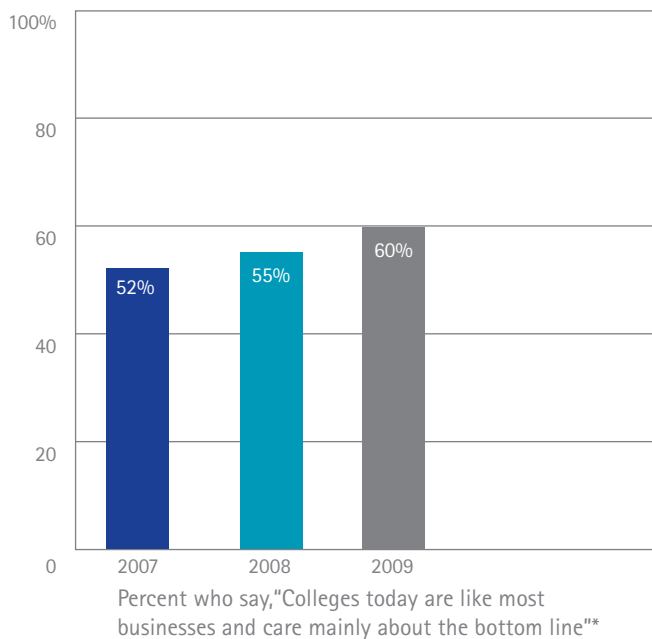
Six out of ten Americans now say that colleges today operate more like a business, focused more on the bottom line than on the educational experience of students. Further, the number of people who feel this way has increased by five percentage points in the last year alone and is up by eight percentage points since 2007.

These are highlights from a series of national surveys tracking public attitudes on higher education, conducted by Public Agenda for the National Center for Public Policy and Higher Education. The current results are based on a survey of 1,031 Americans conducted in December 2009. (See page 10 for details on methodology and full survey results.)

Rising Public Skepticism:

Americans increasingly believe colleges care more about their bottom line than the educational needs of their students

Which comes closer to your view—colleges today care mainly about education and making sure students have a good educational experience, or colleges today are like most businesses and care mainly about the bottom line?



* Note: Question wording in charts may be edited slightly for space. Percentages may not equal 100 percent due to rounding or the omission of some answer categories.

Together with other recent trends, these findings suggest that many Americans are becoming more skeptical about whether colleges and universities are doing all that they can to control costs and keep tuition affordable. It may also indicate that Americans will be increasingly less receptive to the argument that higher education institutions need more money to continue to provide high-quality services.

In some respects, higher education may have become a “soft target” in the public’s mind, one area where the price to consumers can be safely cut without either endangering the quality of education or curtailing the number of students who benefit. Six in ten Americans agree that “colleges could take a lot more students without lowering quality or raising prices.” Over half (54 percent) say that “colleges could spend less and still maintain a high quality of education.”

Do you agree or disagree that colleges could take a lot more students without lowering quality or raising prices?

	2009
Agree strongly	33
Agree somewhat	27
Disagree somewhat	22
Disagree strongly	11

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Which comes closer to your own view?

	2009
Colleges could spend less and still maintain a high quality of education	54
If colleges cut budgets, the quality of an education will suffer	40

■ Maintain Current Operations or Hold the Line on Tuition?

Another indicator of the public's perception that there is "fat" that could be cut in higher education without lowering the quality of education is the attitude toward federal stimulus money that is currently going to public colleges and universities (for example, the \$100 billion allocated to the U.S. Department of Education for K-12 and higher education-related programs as part of the American Recovery and Reinvestment Act). In the public's mind, this money should go primarily to holding down the tuition and fees that colleges charge the students, rather than to helping colleges maintain programs and staff. Only 25 percent of Americans believe that most of the stimulus money should go to helping schools maintain their current operations, while 64 percent say that all or part of the money should go toward holding down tuition and fees.

Do you think that colleges and states that receive federal stimulus money for higher education should...?

	2009
Use all or part of it to hold down tuition and fees, even if that means colleges have less money to spend on operations and programs	64
Use most of the money to maintain current operations and programs, even if that means increases in tuition and fees	25

■ Two Colliding Trends

The public's more skeptical view on how colleges and universities manage their budgets and operations emerges in the context of two important long-term trends documented by the National Center and Public Agenda in a series of studies since 1993. The first of these is a growing conviction about the necessity of a higher education for success in contemporary America. When we began studying this topic in the early nineties, we found that many people believed that higher education had undeniable benefits, but they also believed that there were many other ways to be successful without a higher education (college dropout Bill Gates was frequently cited as an example). In our most recent studies, however, the number of people who thought that a higher education is absolutely necessary for success jumped dramatically, up from 31 percent as recently as 2000 to 55 percent in our last two studies in 2008 and 2009.

The growing emphasis on the necessity of college may be understandable, given that the country is moving into a more knowledge-intensive-workplace economy. But this trend has been accompanied by strengthening conviction in the public's mind—the belief that just as college has become more and more necessary, it is becoming less and less available to many qualified people.

The perception that a college education is out of reach for many qualified students was high during the recession years of the early 1990s, dropped in the years of economic boom, but climbed sharply as the recession intensified last year and has reached its highest measured point in our most recent survey, with 69 percent saying that there are many qualified people who do not have access to higher education, up from 47 percent in 2000 and up by seven percentage points in the last two years.

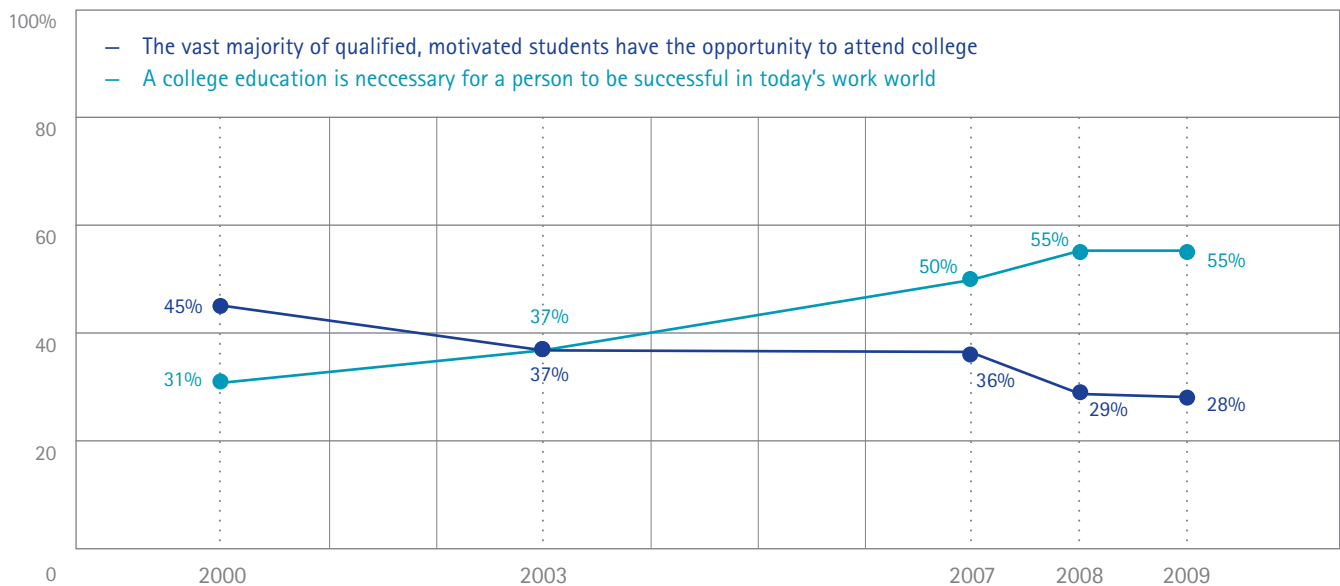
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Looked at side by side, these conflicting trends create what we have called a “squeeze play,” with people simultaneously thinking that higher education is more necessary and less available to many qualified potential students. Clearly one factor in Americans’ concerns about access to higher education is their perception of the escalating cost of tuition and fees at colleges and universities. Today, nearly two-thirds (65 percent) continue to say that higher education prices are rising at a faster rate compared with other things, up seven percentage points from 2007. Indeed, of those who think college prices are going up faster than other things, 74 percent say that they are going up faster than, or at the same rate as, health care costs.

Together, these two colliding trends—the growing perception that college is necessary for success and the increasingly widespread view that many qualified people don’t have the opportunity for a higher education—parallel other signs that the public is becoming more frustrated with higher education and more dubious that colleges and universities are cost-effective and doing all they can to keep tuition affordable.

Two Colliding Trends: A college education is seen as increasingly essential amid falling confidence that qualified and motivated students do not have the opportunity to go

Percentage who agree that:



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■ Two Signs of Optimism

Despite the overall pessimism, this most recent survey also shows some areas where people remain optimistic.

1. "My child will attend college."

Back in 2007, before the economy started to go south, we surveyed parents of high school children and found that despite their concerns about rising fees and tuitions, the vast majority of parents said that it was likely their child would go to college. That number has basically held steady since that time.

How likely is it that your high school-aged child will attend college after graduating high school?

	2007	2009
Very likely	61	59
Somewhat likely	25	31
Not too likely	11	4
Not at all likely	2	6

In part, however, parents may be keeping their hopes alive by assuming that there will continue to be less expensive ways for their children to go to college even though costs are rising. In focus groups conducted by Public Agenda over the years, parents often explain that one way they keep college hopes for their children alive is by modifying their expectations and being willing to "trade down" from more expensive education options to less expensive ones. That is, their children may attend a local college rather than a residential one, go to a public institution rather than a private one, go to school part-time while working, and/or take advantage of community

colleges. The question to consider is whether these choices will remain as viable as parents think they are. Although parents may be rightly optimistic that their children will start a higher education program, the sobering fact is that many of these students may not be able to complete it. Only about 1 in 5 students completes a two-year college program after three years, and only about 4 in 10 complete a four-year degree within six years.¹ Moreover, the option of students working and going to school at the same time may be more problematic than many realize. A recent Public Agenda survey of young adults aged 22 to 30 conducted for the Bill & Melinda Gates Foundation showed that many college students who drop out say they do so because they are attempting to work and go to school at the same time. For many, this becomes a balancing act that eventually overwhelms them.²

2. "There are loans and scholarships available."

There is another sign of optimism in the survey, this one among the general public. The number of people who believe that almost anyone who needs financial help to go to college (through loans or financial aid) can receive it has increased even in the last year, with the total number who feel this way rising from 57 percent to 62 percent.

Here, too, a little context may be useful. The public is correct in believing that more money for college is available, partly as a result of the 2009 federal stimulus package. According to the U.S. Department of Education's first quarterly report on stimulus funds, less than half of the states have seen stimulus funds directly affect tuition policies at institutions.³ And even though

¹ U.S. Department of Education, National Center for Education Statistics, IPEDS 2006–2007, Graduation Rate File; and U.S. Department of Education, National Center for Education Statistics, 1996/01, Beginning Postsecondary Students Longitudinal Study.

² "With Their Whole Lives Ahead of Them," Public Agenda, 2009.

³ Available online at: <http://www.ed.gov/policy/gen/leg/recovery/spending/impact.html>.

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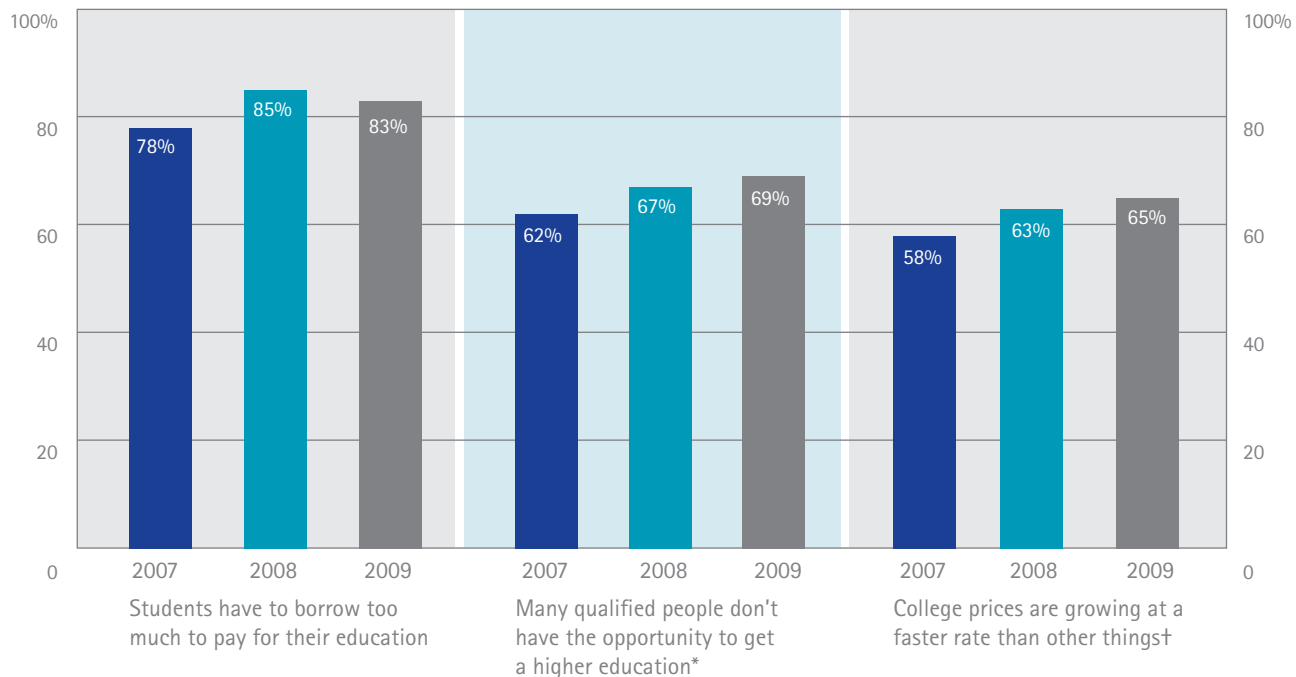
\$8.7 billion of stimulus funds have been directed toward financial aid,⁴ college tuition and fees are also rising rapidly—6.5 percent for public in-state tuition and 4.4 percent for private colleges from 2008 to 2009—at a time when other prices are going down.⁵

However, many Americans also see some downsides to greater reliance on loans. More than 8 out of 10 Americans believe that students have to borrow too

much to pay for their education. What’s more, many observers believe the economic downturn has prompted a shift in public thinking about debt and how easy it is to repay it once acquired.⁶ In other words, the availability of more financial help for college students may not reduce the symptoms of public anxiety about higher education access over the long run as much as proponents of these measures hope.

Public Concerns on Rising Costs: Despite some signs that economic conditions are improving, public concerns about college costs remain at record highs

Percentage who agree that:



* Versus those who say, "The vast majority of people who are qualified to go to college have the opportunity to do so."

† Versus those who say, "Slower or at the same rate."

⁴ Of the \$100 billion in funding allocated to the U.S. Department of Education from the American Recovery and Reinvestment Act of 2009, \$8.7 billion was allocated for student financial assistance (Pell Grants and Federal Work Study Program).

⁵ College Board, "Trends in College Pricing, 2009," October 20, 2009.

⁶ See, for example: Gordon, Larry, "UCLA Survey Finds More Freshmen Worried About Finances," *L.A. Times*, January 21, 2010.

SQUEEZE PLAY 2010

For each statement, please tell me if you agree or disagree.

	2008	2009
Almost anyone who needs financial help to go to college can get loans or financial aid		
Agree strongly	30	37
Agree somewhat	27	25
Disagree somewhat	17	14
Disagree strongly	22	19
Students have to borrow too much money to pay for their college education		
Agree strongly	67	65
Agree somewhat	19	18
Disagree somewhat	7	8
Disagree strongly	5	6

■ Implications for Higher Education Officials and Policymakers

What is the message for higher education administrators and state officials concerned with higher education? On the one hand, the conviction that attending college is the key to a secure economic future remains steadfast, and parents themselves are still optimistic about their own children’s ability to go to college. The concerns voiced in the study are—at least for now—at a more abstract level about higher education accessibility in general. For parents, college may be more of a financial strain, but there is no evidence that more are thinking that it is financially impossible for their own children to get a higher education. The results here do not suggest that the public is ready to turn its back on higher education or dismiss its importance. Indeed, given the lack of jobs for young people, many may be thinking that college is a better alternative for their children than ever, despite its rising prices. As before, the availability of low-cost community colleges and the perception that financial aid is obtainable for those who need it may be ameliorating the anxiety of parents.

But the results do suggest that the public may be becoming less receptive to the argument that is often made by college presidents—that their institutions need more resources if they are to continue their mission. This line of thinking among higher education leaders emerged in “The Iron Triangle,” a recent study from Public Agenda and the National Center based on interviews with 25 college presidents. In these interviews, many college presidents say that they are caught in an unbreakable relationship between the cost of running their operations, the number of students they can educate and maintaining educational quality. Specifically, they argued that if they were to increase the number of students or the quality of education they

SQUEEZE PLAY 2010

would need more money, and conversely, cuts in their budgets would inevitably translate to either a decrease in the number of students they could educate or diminished educational quality. The solution that many of the college presidents offered was a major reinvestment in higher education. Several of our interviewees remarked that the country needs to make a mental shift away from thinking of higher education as a private good, toward seeing it as a public good that deserves more public support. In a December 2008 open letter to then President-elect Barack Obama published in *The New York Times*, 50 college presidents made a similar argument, calling for a “federal infusion of capital” into higher education.

Findings from the “Squeeze Play 2010” national opinion survey suggest that the majority of the public doesn’t buy this argument. As we noted earlier, solid majorities believe colleges could increase enrollment without having to raise prices or cut quality. Most also say colleges could spend less and still maintain quality. Indeed, these views were held by healthy majorities of the public even before the current financial crisis.

Tell me if you agree or disagree:

Colleges could take a lot more students without lowering quality or raising prices

	2007	2009
Agree strongly	30	33
Agree somewhat	28	27
Disagree somewhat	20	22
Disagree strongly	16	11

Which comes closer to your own view?

	2007	2008	2009
If colleges cut budgets, the quality of an education will suffer	40	42	40
Colleges could spend less and still maintain a high quality of education	56	53	54

In this context, it is especially interesting to look at how public attitudes have and have not changed during the course of the financial roller coaster of 2009. Although some of our indicators had jumped significantly from the good times in 2007 to the beginning of the financial crisis in late 2008, not surprisingly, many of these did not show any statistically significant change through the year of 2009. The public’s views about the state of the economy remain fairly bleak, although some economic indicators are improving. When it comes to concerns about paying for college, people apparently weren’t feeling either much worse or much better than they did at the close of 2008.

SQUEEZE PLAY 2010

While many of the indicators stabilized between 2008 and 2009, one indicator continued on its upward path. Through all three of these surveys, we have seen a steady increase in the percentages of people who feel that higher education is concerned primarily with its own bottom line rather than with the educational experience of students. As noted above, this percentage rose from 52 percent in 2007 to 55 percent at the end of 2008 to 60 percent at the end of 2009. This is a particularly interesting shift because it expresses a general attitude people hold about how higher education sees its mission, rather than reflecting concerns directly related to the economic conditions the country has gone through. A growing number of people seem to be saying something like this to America's colleges and universities: "Now that times are tough, we are getting a better idea of what you really care about, and it isn't the educational experience of your students."

In part, this attitude may be a reaction to service cuts and tuition price hikes in colleges and universities around the country as they cope with reduced revenue from the state (for public systems) and/or declining endowments (for private ones). Since most Americans are convinced the institutions could in essence do more with less, it may be difficult for people to accept the need for these tuition increases.

■ Public Ambivalence on Higher Education Finances

This does not mean that the public is actively hostile to higher education, but it does suggest that the public may not be especially sympathetic to the internal problems of the higher education system, either. Our findings suggest, in other words, that the public may be poised in a period of ambivalence and perhaps unpredictability toward the financial difficulties of higher education. On the one hand, people believe that higher education is important and necessary. But at the same time, we find no evidence of sympathy for the argument that colleges and universities are starved for financial resources. If higher education leaders want to make the argument for a significant reinvestment in higher education, they may find that their words fall on deaf ears given the public's current state of mind and that they will need to make a more specific and compelling argument to bring more Americans to their side.

FULL SURVEY RESULTS

The findings in “Squeeze Play 2010” are based on landline and cellular telephone interviews with a national random sample of 1,031 adults aged 18 and over. Interviews were conducted from December 9 through December 13, 2009. The margin of error for total respondents is plus or minus 3.05 percentage points. It is higher when comparing percentages across sub-groups or on question items that were not asked of all respondents. Interviews were conducted in English and Spanish.

The response rate for this study was calculated to be 14.3 percent, and six attempts were made to reach each respondent. The survey data was weighted to provide nationally representative and projectable estimates of the adult population 18 years of age and older. The weighting process takes into account the disproportionate probabilities of household selection, and the sample is post-stratified and balanced by key demographics—age, sex, region and education. The sample is also weighted to reflect the distribution of phone usage in the general population, meaning the proportion of those who are cell phone only, cell phone mostly, landline only and mixed users.

Results of less than 0.5 are signified by an asterisk (*). Results of zero are signified by an en dash (–). Some data are not available, because not all questions were asked in each iteration of the survey. Missing data are signified by an em dash (—). Responses may not always total 100 percent due to rounding. Combining answer categories may produce slight discrepancies between the numbers in these survey results and numbers in the report.

	2009 (%)	2008 (%)	2007 (%)	2003 (%)	2000 (%)	1998 (%)	1993 (%)
01. Do you think that a college education is necessary for a person to be successful in today's work world, or do you think that there are many ways to succeed in today's work world without a college education?							
College education is necessary	55	55	50	37	31	–	–
There are many ways to succeed in today's world without a college degree	43	43	49	61	67	–	–
Don't know	2	2	1	2	3	–	–
02. Compared with other things, are college prices going up at a faster rate, are college prices going up at a slower rate, or are they going up at about the same rate?							
Faster rate	65	63	58	–	–	–	64
Slower rate	3	2	3	–	–	–	17
Same rate	20	25	20	–	–	–	5
Going down [vol]	–	*	–	–	–	–	–
Don't know	12	10	19	–	–	–	–

FULL SURVEY RESULTS

	2009 (%)	2008 (%)	2007 (%)	2003 (%)	2000 (%)	1998 (%)	1993 (%)
03. Compared with HEALTH CARE, do you think college prices are going up at a faster rate, are college prices going up at a slower rate, or are they going up at about the same rate? [Base: Asked of total who think college prices are going up at a faster rate compared with other things.]							
Faster rate	36	35	20	—	—	—	—
Same rate	38	42	39	—	—	—	—
Slower rate	17	17	22	—	—	—	—
Going down [vol]	*	*	*	—	—	—	—
Don't know	9	6	19	—	—	—	—
04. I am going to read you some statements about colleges, meaning both two-year institutions, such as community colleges, and four-year institutions, such as state universities and private four-year colleges. For each statement, please tell me if you agree or disagree.							
Almost anyone who needs financial help to go to college can get loans or financial aid.							
Agree strongly	37	30	38	35	33	—	—
Agree somewhat	25	27	29	27	29	—	—
Disagree somewhat	14	17	14	16	17	—	—
Disagree strongly	19	22	15	16	15	—	—
Don't know	4	4	3	6	6	—	—
Students have to borrow too much money to pay for their college education.							
Agree strongly	65	67	60	55	56	—	—
Agree somewhat	18	19	18	22	24	—	—
Disagree somewhat	8	7	12	13	11	—	—
Disagree strongly	6	5	8	6	4	—	—
Don't know	3	2	3	4	5	—	—
Colleges could take a lot more students without lowering quality or raising prices.							
Agree strongly	33	—	30	—	—	—	—
Agree somewhat	27	—	28	—	—	—	—
Disagree somewhat	22	—	20	—	—	—	—
Disagree strongly	11	—	16	—	—	—	—
Don't know	7	—	6	—	—	—	—
05. Do you think that currently, the vast majority of people who are qualified to go to college have the opportunity to do so, or do you think there are many people who are qualified to go but don't have the opportunity to do so?							
Have the opportunity	28	29	36	37	45	49	37
Don't have the opportunity	69	67	62	57	47	45	60
Don't know	3	4	2	7	8	5	4

FULL SURVEY RESULTS

	2009 (%)	2008 (%)	2007 (%)	2003 (%)	2000 (%)	1998 (%)	1993 (%)
06. Which comes closer to your own view?							
Colleges today care mainly about education and making sure students have a good educational experience	32	35	43	—	—	—	—
Colleges today are like most businesses and care mainly about the bottom line	60	55	52	—	—	—	—
Don't know	7	9	5	—	—	—	—
07. Which comes closer to your own view?							
Your state's public college and university system needs to be fundamentally overhauled	49	48	48	—	—	—	—
Your state's public college system should be basically left alone	39	39	39	—	—	—	—
Don't know	12	13	12	—	—	—	—
08. Which comes closer to your own view?							
If colleges cut budgets, the quality of education will suffer	40	42	40	—	—	—	—
Colleges could spend less and still maintain a high quality of education	54	53	56	—	—	—	—
Don't know	6	5	4	—	—	—	—
09. Do you think that colleges and states that receive federal stimulus money for higher education should...?							
Use all or part of it to hold down tuition and fees, even if that means colleges have less money to spend on operations and programs	64	—	—	—	—	—	—
Use most of the money to maintain current operations and programs, even if that means increases in tuition and fees	25	—	—	—	—	—	—
Don't know	10	—	—	—	—	—	—

FULL SURVEY RESULTS

	2009 (%)	2008 (%)	2007 (%)	2003 (%)	2000 (%)	1998 (%)	1993 (%)
10. Please think about your (oldest/youngest) child in high school... How likely is it that this child will attend college after graduating high school? [Base: Asked of total who have a child currently enrolled in high school.]							
	n=108		n=313				
Very	59		61	–	–	–	–
Somewhat	31		25	–	–	–	–
Not too	4		11	–	–	–	–
Not at all	6		2	–	–	–	–
Don't know	–		1	–	–	–	–

CHARACTERISTICS OF THE SAMPLE

	2009 (%)
Gender	
Male	49
Female	51

Age	
18 – 29 yrs.	22
30 – 39 yrs.	17
40 – 49 yrs.	18
50 – 59 yrs.	20
60 – 70 yrs.	10
71 – 98 yrs.	11

Race/Ethnicity	
White, Non-Hispanic	69
Hispanic	14
Black	11
Other race	4

Marital Status	
Single	22
Single, living with a partner	9
Married	52
Separated	1
Widowed	6

Education	
Less than high school graduate	13
High school graduate	31
Some college	24
Graduated college	18
Postgraduate school or more	9
Technical school/other (unspecified)	4

	2009 (%)
Employment Status	
Employed	58
Full-time	44
Part-time	13
Not employed	42
Retired	19
Housewife	6
Student	4
Temporarily unemployed	10
Disabled/Handicapped	3
Other not employed	*

Total Annual Household Income	
Under \$14,999	16
\$15,000 – \$24,999	11
\$25,000 – \$29,999	6
\$30,000 – \$39,999	9
\$40,000 – \$49,999	6
\$50,000 – \$74,999	16
\$75,000 or more	22

Ages of Children in Household	
No children	61
Households with children	36
5 yrs. or younger	16
6 – 11 yrs.	14
12 – 17 yrs.	18

Children in High School	
None	85
One	10
Two	2

CHARACTERISTICS OF THE SAMPLE

	2009 (%)
Political Party Affiliation	
Republican	23
Democrat	32
Independent	37
Other	2
Census Region	
Northeast	18
Midwest	22
South	37
West	23

	2009 (%)
Metro Status	
Metro	85
Non-metro	15

■ Previous reports from Public Agenda and the National Center for Public Policy and Higher Education:

- 2009: “Squeeze Play 2009: The Public’s Views on College Costs Today”
- 2008: “The Iron Triangle: College Presidents Talk About Cost, Access and Quality”
- 2007: “Squeeze Play: How Parents and the Public Look at Higher Education Today”
- 2004: “Public Attitudes on Higher Education: A Trend Analysis, 1993 to 2003”
- 2000: “Great Expectations: How the Public and Parents—
White, African-American and Hispanic—View Higher Education”
- 1998: “The Price of Admission: The Growing Importance of Higher Education”
- 1993: “The Closing Gateway: California Consider Their Higher Education System”

ABOUT THE PARTNERS

■ 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 from both political parties and from experts and decision makers across the political spectrum. Our citizen education materials and award-winning Website, publicagenda.org, offer unbiased information about the challenges the country faces. Twice nominated for the prestigious Webby award for best political site, PublicAgenda.org provides comprehensive information on a wide range of policy issues.

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■ About 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.

Established in 1998, the National Center is not affiliated with any institution of higher education, with any political party or with any government agency.

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