

White Paper Series

An Open Letter to the Nation's Governors: Become the Leaders We Need To Address the Nation's Student Tuition Crisis...Please!

As governors of our fifty states, you are the nation's best hope for addressing and, collectively, solving the tuition crisis now facing our country's university students. The tuition crisis statistics are well known to policy makers and parents as well as the 45 million former students carrying the \$1.6 trillion debt that now far exceeds all credit card debt. The nation's 1600-plus "public" colleges and universities—more accurately described as "state-assisted"—represent approximately one-third of the country's institutions of higher education. Seventy-three percent of college and university students, however, attend public institutions. Two-thirds of your states' students graduate or leave your public colleges and universities with loans averaging nearly \$30,000 with many reaching into six figures, particularly among those going on for graduate and professional degrees.

Years of research firmly document the damaging personal, societal and economic impact of this staggering debt load. The monthly installment payments averaging nearly \$400 prevent young graduates and those who unfortunately could not graduate from making much needed purchases. Student debt loads are known to cause many to postpone marriage and child-bearing, forego purchasing a home, delay repair or purchase of a badly needed car and household appliances, avoid needed doctor and dental appointments, decide against vacations, and more. We are also increasingly aware of the adverse mental health implications of carrying these large student loans and the resulting long-term debt. The personal impact of these loans is magnified many fold when translated into the debilitating economic impact on our states and communities. Resolution to this tragic state of affairs will bring a significant positive economic impact adding millions of dollars to the discretionary spending of young adults in need of so many things.

Where will this resolution come from? Clearly, the student tuition and resulting debt crisis will *not* be resolved by our colleges and universities. University presidents and their administrations have no incentive to cut costs;

all campus incentives are to *add* expenditures for higher salaries, larger staff, new buildings, and flashier amenities they feel are needed to attract students from the shrinking pool of prospects. Even “freezing” tuition for a year or two becomes a well publicized big deal for the few universities that have taken that step but falls far short of a permanent solution. Any genuine resolution to the tuition and student debt crises will have to come from *outside* the universities from a source with the authority to influence the higher education establishment, its institutions and policies.

Governors, particularly governors acting collectively, have the authority and platform to influence public, state-supported colleges and universities in ways that could have a major impact on tuition and the resulting student loan crisis. Most, if not all governors, are appropriately careful to avoid interfering with the autonomy of our universities. At the same time, governors are responsible for appointing institutional decision-makers, i.e., trustees and board members; they are also responsible for approving appropriations for public institutions of higher education. These two gubernatorial responsibilities alone, in combination with their ability to shape public opinion, enable governors to exert substantial influence on the fiscal priorities and policies of their public colleges and universities.

In addition to your authority and formal responsibilities for your state’s public colleges and universities, as governor you are able to influence campus priorities in numerous ways without violating the norms of institutional autonomy. Campus visits, listening to students, convening governing boards for workshops on relevant topics, meeting individually and collectively with university and college presidents, hosting town hall meetings with parents of students, and social media can all be used to convey your vision, goals and message for more efficient, *affordable* higher education.

Engage with the higher education system in a personal way. Use your considerable influence and powers to cut the cost of tuition. Incentivize cost reductions and greater efficiencies. Lead on the importance of setting institutional priorities, eliminating or reducing costly unnecessary program duplication, promoting greater inter-institutional collaboration, privatizing selected services, consolidating “back-room” functions such as purchasing, technology services, human resources, and more. Most of all, keep an eye on presidential, administrative and coaching salaries. Million-dollar salaries for “public” employees are outside the bounds of reason and inappropriate for tax- and tuition-supported universities. Alert your board appointees to

the dangers of mandatory student fees for unneeded, unwanted nonacademic services and programs as well as the high cost of oversized, inefficient administrations. These strategies can be implemented, and must, if we are to find solutions to the growing tuition and student loan crises.

Major differences among the fifty states obviously preclude a “one size fits all” solution. There are, however, common university issues across the states that, tackled together with fellow governors, would yield innovations and insights for new models, prototypes and paradigms that would cut the cost of public higher education. Cutting the cost of public higher education will also bring pressure on private universities and colleges to lower their costs as well.

Other than our states’ governors, no group or organization has the authority, connections, resources and capacity to successfully address and resolve the nation’s tuition and student loan crises in a manner that meets the varied needs of the states. The ball is in your court. The question is, will you, our governors, become the leaders we need to address the nation’s tuition crisis?

Dan Johnson
President Emeritus and
Distinguished University Professor of Public Policy and Economic Development (retired)
University of Toledo
Toledo, Ohio

*Author of *The Uncertain Future of American Public Higher Education: Student-Centered Strategies for Sustainability* (Macmillan Palgrave) 2019*

Website: danjohnsonstrategicleadership.com

