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—Allen H. Neuharth
Founder, Sept. 15, 1982

USA TODAY

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College costs

Today's debate: PAYING FOR COLLEGE

Keeping costs down is colleges' next challenge

OUR VIEW The breaks in the new tax bill won't help much. Education needs to follow health care's example.

The average cost of a college degree now about $70,000 at private universities $25,000 at public schools.

It those figures take your breath away, just wait a few years. At the current rate, college tuition costs are expected to double by 2015, according to the Council for Aid to Education, a group that tries to boost corporate support of education. That's twice the rate of general inflation.

President Clinton and Congress plan to ease that burden with tuition tax credits and income tax deductions included in the tax bill making its way through Congress. But there's a catch. In fact, there are two:

▶ The proposal isn't likely to help those driven off by spiraling costs. Groups ranging from The College Board to the American Association of State Colleges and Universities say the $35 billion package most likely will help middle-class students who would be college-bound in any case.

▶ Colleges, which already show little inclination to control costs, will feel even less pressure as the burden on those who pay the bills eases. As a result, the tax breaks actually drive tuition up faster.

At the problem's core are structural forces similar to those that plagued the health-care industry in the early 1990s. Demand for services — particularly at elite colleges — is nearly limitless. And few families have the will to say, "enough."

Health-care inflation slowed only be-[redacted]employers, the largest purchasers of health care, had the power to demand cost-saving innovations that have restructured the industry. As a result, the health system has stopped rewarding doctors and hospitals that provide unnecessary care. Patients are being given incentives to consider cost when seeking care. And employers are demanding to know — up front — the price of the health care they buy.

Numbers keep rising

College enrollment has increased about 15% over the past decade, but college costs have risen by 23% at public universities and 36% at private colleges, after adjusting for inflation.

Fall enrollment (in millions)

	1986	1991	1996[1]
Four-year	7.8	8.7	8.9
Two-year	4.7	5.7	5.5
Total enrollment	12.5	14.4	14.4
Full-time	7.1	8.1	8.2
Part-time	5.4	6.2	6.2

1 Estimated. Some figures do not total due to rounding.

College costs

Average cost for tuition, room and board:

	Public	Private
1985-86	$5,071	$12,614
1995-96	6,252	17,207

Source: National Center for Education Statistics

Parents and students aren't as organized. And with college operating costs on the rise, most schools have responded to budget shortfalls with a two-word solution: tuition hikes. Between 1981 and 1995, college tuition increased 234% at the same time median household incomes rose 82%.

Idea

Congress and the Department of Education are starting to name 11 members to a National Commission on the Cost of Higher Education. Congress has asked the panel to spend four months comparing tuition costs to other commodities — and searching for ways to stabilize the market.

There are success stories for them to scrutinize. In 1994, Michigan State University promised in-state tuition wouldn't rise faster than the rate of inflation. It hasn't.

In Ohio, Muskingum College slashed tuition $4,000 to attract students scared away by the school's $14,000 price tag. The plan worked, increasing enrollments 30%.

But at most colleges, tuition outstrips inflation. The nonprofit Council for Aid to Education predicts that if the 30-year trend continues, 6.7 million children born this year will be priced out of college.

That's a price we can't afford to pay.

College is within reach

OPPOSING VIEW Look at the numbers [redacted] the [redacted] help that's able to students.

By Stanley O. Ikenberry

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College is within reach

OPPOSING VIEW **Look at the real numbers the financial help that's available to students.**

By Stanley O. Ikenberry

A college education is the most impor- investment many Americans make. Does it sometimes cost a lot? Of course. Cost too much? For most students and families, the answer is no. Is it as expensive as people think? Not by a long shot.

Media reports have distorted true college costs and fostered anxiety by focusing on a small number of high-priced institutions.

Here are some basic facts:

▶ First, eight out of 10 students attend public colleges and universities, where the average tuition is $2,300 a year. At private institutions, tuition averages $12,000. Only about 1.5% of college students attend institutions that charge $20,000 or more.

▶ Second, many students receive grants or scholarships that reduce the average price even further. Even those who attend institutions that "cost" more than $20,000 pay an average of about $12,000 after are deducted.

For all four-year colleges, public and private, the average amount full-time students actually pay is about $3,500 annually.

▶ Finally, colleges and universities are cutting costs and restructuring to minimize tuition increases without sacrificing academic quality. Last year, average tuition rose by the lowest rate in at least 30 years.

Paying for college is a challenge for many families. But the return on investment in higher education — for the individual and for America — is immense.

Bachelor's degree holders earn, on average, $11,000 to $15,000 more a year than those with only a high school diploma — almost $600,000 more over a working lifetime. For the nation, the return comes in the form of a more competitive economy, safer and stronger communities and healthier families.

Covering the cost of college is a partnership involving students and families, government and higher education institutions. If students and their families get accurate information and plan well, if institutions do their best to contain costs while protecting quality, and if government does its share, a high-quality college education will be within the reach of every qualified American.

Stanley O. Ikenberry is president of the American Council on Education, the nation's principal higher-education association.

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JUDY MANN

Taking Another Crack at the Wage Gap

Do you, as a working mother, ever wonder why your male colleague can afford to send his child to a private four-year college and your only option for your child is a public university? Chances are that your male colleague's paycheck is considerably larger than yours, so he can afford to buy the more expensive education.

That's just one illustration of the substantial difference in family living standards that exists as a result of the annual disparity between men's and women's wages, which the U.S. Census Bureau has put at $9,000. Over a 30-year career, that adds up to $270,000. According to a National Academy of Sciences report, one-third to one-half of the differences between men's and women's wages cannot be explained by such legitimate marketplace determinants as differences in education or experience. Even among recent college graduates, women make 15.7 percent less than men, according to census data.

The wage gap for women was 71 percent of pay that men earned in 1995, up from 57 percent in 1973, the year men's earning power peaked. But the numbers can be misleading about why progress has been made: While women made significant wage gains on their own, men began losing ground. About 40 percent of the closure in the gap comes from women's improved earning power and 60 percent in men's lost earning power.

The persistence of the wage gap comes as no surprise to Rep. Rosa L. DeLauro (D-Conn.), who got her first taste of women's wages when she went after school to the sweatshop in New Haven where her mother worked. "They were these cavernous places with rows and rows of sewing machines and lunches half eaten, because they didn't stop. They worked piecework. Sometimes she'd have bandages on her fingers. You'd get the needle going as fast as you can. Just make sure the blood wasn't getting on any clothes. She had me go there so I would understand what kind of life this was. She'd say, 'You've got to go to school, you've got to learn so you don't have to do what I'm doing here.' They were underpaid. They had lousy working conditions. For me, it had an effect on my life."

What she also saw was that the cutters made more money, and the cutters were men.

DeLauro's mother is 83 now, and she has been on the New Haven Board of Aldermen for 32 years, making her the longest-serving member. Her daughter has not fallen far from the tree.

DeLauro has introduced the Paycheck Fairness Act, a measure that would put some real teeth into the Equal Pay Act of 1963. That law, which has been essentially ignored under Republican administrations, holds employers liable only for unpaid wages and limited damages if they discriminate. Suits are hard to bring, in large part because the Equal Employment Opportunity Commission has been woefully underfunded and has a chronic backlog.

The Paycheck Fairness Act, co-sponsored by Rep. Richard A. Gephardt (D-Mo.) and Del. Eleanor Holmes Norton (D-D.C.), would hold employers liable for compensatory and punitive damages, as well as back wages, if they are found to have discriminated in pay. It also would aid data collection by requiring employers to report pay information to the EEOC upon request. It would make it easier for employees to discuss salary information without sanctions.

The act would give an additional $36 million to the EEOC—which has a $240 million annual budget—and boost the funding for the Office of Federal Contract Compliance by $10 million. It would provide a supplemental $500,000 for training in both offices to reduce backlogs. It also would direct an additional $1 million to the Women's Bureau of the U.S. Labor Department to boost its educational programs on pay-equity.

"We've come a long way," DeLauro says, "but there are employers who are treating women's work and them as second-class citizens." This is not a bill likely to enchant this Republican Congress. But, she says, "we do have men and women in the institution and on both sides of the aisle that I believe will want to engage in this issue. We are going to try to reach out and to make it bipartisan. We are working with outside groups, and the Democratic leadership is fully committed to this. This is part of the 'Families First' agenda. That this is part of the agenda gives you some sense of what the leadership thinks about its importance."

Of the ideas that have come along in recent years to address the issue, this is the proposal that has the best chance of making a dent in the wage gap. This one really is putting families first by giving women a better shot at bringing home a full paycheck based on their work, not a fragmented one based on their sex. It deserves the support of everyone who is concerned about promoting stable families.

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