

Higher Ed in the Age

of Un- certain Tuition Warfare

The election of Donald Trump as the 45th president of the United States and the continued Republican control of Congress took most of the political class, media pundits, and perhaps the president and the GOP themselves, by surprise. Mainstream opinion in the weeks leading up to the election was chiefly constructed around a broad insiders' consensus of a Hillary Clinton presidency and an almost certain take-over of the Senate by Democrats, with the only known unknown—to borrow the elegant epistemological phraseology of a former secretary of defense—being whether the House would remain in Republican hands. The disruption of that narrative on Election Day upended every facet of the American political life, and, given the mercurial tendencies of the president, introduced an extraordinary level of anxiety, most of it driven by the numerous unknown unknowns about the coming Trump administration and what it may or may not do.

The higher education sector, long dependent on, if not a creature of massive federal financial support, has been particularly at sea in the post-election period for a number of reasons. The highly unorthodox Trump campaign was markedly different from the Clinton policy apparatus in its avoidance of policy papers, single issue policy speeches, and formal outreach to domestic policy advocacy groups. Candidate Trump's freewheeling speeches occasionally touched on higher education topics, and not always in consistent or even coherent ways. Early on in the campaign, for example, Trump expressed sympathy for borrowers whom he said were being charged too high an interest rate on their federal loans, and seemed to endorse federal refinancing of educational loans along the lines of what Democratic Senators Sanders and Warren have been advocating. Right before the election, in a speech that promised a "restoration" of freedom of expression and tuition reductions through negotiations, Trump specifically described a loan repayment plan—12.5 percent of income for 15 years—as how he

would deal with the plight of millennials facing wage stagnation and high debt burdens. This, despite the fact that the GOP platform also calls for a return to bank-based lending—potentially a costly \$100 billion proposition on the federal budget—that makes income-based repayment well-nigh impossible.

The rushed transition effort to form a cabinet quickly settled on Betsy DeVos as Trump's nominee to head the Department of Education. But this did not produce much by way of clarity on the likely course of the new administration's higher education policies since, like most previous secretaries of education, DeVos' policy work has been almost exclusively limited to K-12 issues. The paucity of information about affirmative policy proclivities, however, does not necessarily make it impossible to predict the contours of the new policy environment for institutions of higher education.

Funding battles are inevitable, and they will come in several flavors.

While the new administration's specific higher education policies are unlikely to emerge until its many sub-cabinet appointees are nominated, vetted and confirmed (a process that may take a year to complete), a number of unrelated policies with enormous budgetary consequences are already known. The administration and the congressional majority have already been working on major tax cuts, repeal of the Affordable Care Act (which carries a hefty price on the budget), increased military expenditures, and a giant infrastructure bill (including a down payment of the wall that Mexico is expected to pay for). Although Congress will certainly resort to various accounting schemes (like "dynamic scoring" and "fair value accounting") to minimize the inevitable ballooning of the deficit as a result of reducing revenues and increasing expenditures, GOP budget hawks will still press for cuts in social spending programs to offset some of the losses. At the very least, discretionary student aid programs—like Pell, SEOG and Work-Study—will be under pressure in this budgetary environment, not only this

of Trump?

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year, but over the next four years. The annual appropriations process, now entirely controlled by the GOP, will determine the scale and scope of any reductions, presumably beginning sometime in the spring.

In addition to annual funding legislation, mandatory higher education programs are likely to be on the chopping block through the budget reconciliation process later this year. These consist of tax credits for families, tax benefits to institutions (tax treatment of endowments and charitable giving to institutions), mandatory revenue streams for Pell, and most notably, the student loan programs, all or some of which may be squeezed to produce federal savings. Top among potential targets of loan reform might be the in-school interest subsidy, more lenient write-off and forgiveness provisions of current income-based repayment options, and imposition of loan limits on GradPLUS and PLUS loans.

A subsidiary concern for federal higher education spending centers on research funding, which, with the exception of the comparatively small amounts that support the arts and the humanities, has been significantly immune to partisan divisions. The scientific community has become concerned that prior personal statements from the president—on issues ranging from global warming to vaccines and autism—may result in funding choices that exclude certain disciplines or projects. The transition process did not help matters, since a number of high-level agency appointees have been dismissive of scientific consensus as well.

Regulatory pressures will diminish. While the new administration may not have specific substantive positions on the efficacy or impact of the numerous regulatory requirements institutions face, the president and the congressional

majority are philosophically of one mind regarding over-regulation, regulatory enforcement, and agency activism. Working with Congress, the administration will move quickly to rescind some Obama-era education regulations, which, in the higher education arena, includes the much-disliked teacher preparation rule published last year. Other Obama regulations—ranging from the gainful employment rule to state authorization and defense-to-repayment regulations—will be the subject of interest group lobbying for the remainder of this year as the Trump administration attempts to identify how it may wish to proceed with the process of retaining, retracting, amending or replacing them. One area where the change will be institutionally welcome (but politically explosive) will surely be the Department of Education's approach to Title IX enforcement. The department has increasingly placed public colleges and universities in the untenable position (through enforcement of sub-regulatory guidance issued by the Office of Civil Rights) that the courts have found to violate their due process obligations as state agencies under the Constitution.

Culture wars will be back. The last item above is but one of many examples of politically charged non-monetary battles ahead for institutions of higher education. Throughout the campaign and in the immediate aftermath of last November's election, various groups of students reported incidents of bullying and peer harassment that was quickly labelled the "Trump effect." Some cohorts of students, undocumented students brought here as children, for example, were especially concerned because they were at risk of termination of their temporary legal status granted under the Obama administration. Polemics between other students groups—ethnic minorities, Muslims, transgender

students, and progressive activists—and their perceived or real opponents intensified and will probably continue to simmer on college campuses. Interest groups that have been dormant for most of the last eight years will reemerge to take sides in the new culture wars on campuses, as a conservative group of scholars recently did in taking aim at civic engagement programs on college campuses.

Congress, not the administration, will be driving higher education policy. The one unlikely source of relief amid the cacophony of bad news will be that the congressional leadership of the two education committees will be firmly in control of higher education policy. In practice, this provides a significant measure of mainstream policy continuity and particularly insulates the aid programs from radical change. The committees will certainly pursue GOP policy preferences—program consolidation, simplification, innovation, deregulation—but these will be highly recognizable proposals with predictable consequences. More notably, the congressional education committees have distinguished themselves by greater bipartisan collaboration than most other panels, an attribute that ensures greater stability and less turbulence at a time of great changes and many unknown unknowns. **P**

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