

by Justin Draeger

Are We Losing the Morals That Guide Student Aid Policy?

Response to “Moral Character and Student Aid” on page 102

America’s moral compass guiding student aid policy is being co-opted by short-sighted, budget-cutting and deficit-reduction policies.

This moral compass was threatened, but had “not altogether disappeared” by 1996, according to an article written that year by Thomas A. Flint, then-vice president for financial services at Robert Morris College (IL).

“Americans see their nation as a land of opportunity for talented and ambitious individuals, so the inability of some parents to financially support their children in college represents a barrier preventing equal opportunity for all citizens,” Flint wrote in “Moral Character and Student Aid.”

The article documents a shift in student aid policy from the original goal of providing equal opportunity to other priorities, such as enforcing loyalty to the US (and rejecting Communism during the Cold War era), Selective Service registration and the war against drugs. Debating the encroachment of other policies on student aid policy would be welcomed today, when discussion about the ideological consequences of financial aid have been eclipsed by a purely fiscal debate. In 2011, the moral dilemma is less about *who* is deserving of student financial aid, but *whether* we will rise to the promise we’ve made to keep college accessible.

In these times of austerity, student aid programs have become an irresistible temptation for lawmakers to raid. In 2011, Congress provided more than \$46 billion primarily to cover increasing participation in the Pell Grant program. While this is only 1.2 percent of the \$3.8 trillion federal budget, it is tempting for lawmakers to cut. Flint predicted that this would become an issue.

“One cannot discuss morals and money without acknowledging how the latter can corrupt the former,” summarizes Flint. “The more money that is at stake, the larger the temptations become.”

In the last year alone, students have lost nearly \$1 billion in Academic Competitiveness and SMART Grants, \$8 billion in year-round Pell Grants, \$20 million in Federal Supplemental Educational Opportunity Grants, \$2 million in Federal Work-Study funds, and \$64 million in the outright elimination of the Leveraging Educational Assistance Program (LEAP) program. Just recently, graduate students lost one of their few sources of assistance when student loan interest subsidies were eliminated.

Student aid policy is being hijacked by efforts to reduce budget deficits at the risk of eliminating our long-term financial future. Consider the number of major changes to the student aid programs in the last five years and the *mechanism* most frequently used to enact them. In 2007, 2008, 2010, and 2011, major student aid changes were mandated through budget or emergency spending or stimulus bills, not through reauthorization of the Higher Education Act.

Reauthorization—and the debates, expert testimony and critical analyses that came with it—occurred every four to six years between 1965 and 1998. But 10 years elapsed between 1998 and 2008 before the last reauthorization was complete. The bulk of legislative changes to the student aid programs during that time occurred in budget bills, and without the rigorous debate over policies and goals inherent to the reauthorization process. Key directional changes to student aid policy came in a disjointed, reactive atmosphere, rather than a contextual proactive atmosphere.

The current political and fiscal environment continues to leave little room for important discussions about the merits and morality of federal student aid. The trend that Flint warned of has intensified to the point that almost all student aid policy debate focuses on how we can trim student aid spending to bring our federal budget into alignment.

Today, deficit hawks in Congress warn that unless we get federal spending under control, future generations will pay an enormous price. But reducing the student aid programs has the same negative effect because it robs current and future generations of equal opportunity and condemns them to inherit the inequality of previous generations.

President Lyndon Johnson, who signed the original Higher Education Act, said, “We once considered education a public expense; we know now that it’s a public investment.”

When student aid policy is governed by the budget, it is treated as an expense and not a public investment, eluding the nation’s moral compass. We must return to an environment where thoughtful debates on the purposes and goals of the financial aid programs can occur. Americans must recognize that every dollar spent on education is more than just a line item on a federal expense statement—it’s an investment in our nation’s future success and prosperity.



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