

Royel Johnson:

Before we jump into today's episode, it's important that we acknowledge that this conversation was recorded on the land of the Tongva and Chumash peoples. Panelists joined us from colonized lands throughout North America. We recognize the Tongva, Chumash, and all indigenous nations, tribes, and peoples for being historical and continual caretakers of these lands

Audio:

In three, two, one.

Royel Johnson:

Greetings, ASHE family and welcome back to another episode of the ASHE Presidential Podcast on the purposes, politics, and practices. I got to write that time. I am your co-host, Dr. Royel Johnson, Associate Professor of Higher Education and Social Work at the University of Southern California and Director of the National Assessment of Collegiate Campus Climates. And shout out to the Rossier School of Education for being a sponsor this year of the podcast. I have the privilege of working with my dear friend who needs no introduction, but we'll do it anyway. Dr. Felecia Commodore.

Felecia Commodore:

Hello, everyone. I am your other co-host who is waiting for her caffeine to show up to work today, Dr. Felecia Commodore, an Associate Professor at Old Dominion University in the higher education and community college programs. We're excited today to keep the conversation going as we discuss the purpose, politics and practice of higher education. Today we're back to have a passionate conversation with some really brilliant people about another hot topic in higher education, college affordability. So tell us who's joining us today, Royel.

Royel Johnson:

So join us in welcoming our special guest, Dr. Dominique Baker, who is Associate Professor of Southern Methodist University. Next we have Dr. Tia Caldwell, who is the Policy Analyst of New America Foundation.

Felecia Commodore:

So before we jump into our round table conversation, we have a little fun activity that we do with all guests and we call it This or That. So we're going to give you two, two options to choose from and you will simply pick the one that you most prefer. So I'll let Royel start us off.

Royel Johnson:

So Dominique, based on my review of your Twitter activities, I know that you are into reality TV, right?

Dominique Baker:

It's a true story, yeah.

Royel Johnson:

So I'm going to ask you to pick this or that between two important franchises, Real Housewives of Potomac or Atlanta.

Dominique Baker:

Oh, wow. Wow, wow, wow. Okay, we're going to go with how they've been behaving lately, and so that means I'll have to pick the Potomac because of course I have to give respect to the only black woman faculty member at Johns Hopkins University.

Felecia Commodore:

And the youngest.

Dominique Baker:

And the youngest. How dare I leave that out for her? Got to give respect where respect's due.

Royel Johnson:

Oh my God. I remember when that was on the show and folks went up on Twitter, started Google scholaring and everything. Yeah.

Felecia Commodore:

Oh, what a thing. This is why I watch Beverly Hills, because they just argue about wine glasses. Okay. Well, Tia, I have a question for you. Do you prefer tea or coffee?

Tia Caldwell:

Oh, man. I know my name says I should prefer tea, but I have a bad coffee addiction.

Felecia Commodore:

We are family.

Royel Johnson:

What number are you on today?

Tia Caldwell:

Only one today.

Royel Johnson:

Oh, nice.

Tia Caldwell:

It's pretty impressive. Hopefully I can keep it that way.

Royel Johnson:

I have a big jumbo one this morning.

Felecia Commodore:

I have a little one, but I probably need two.

Royel Johnson:

So one question for each of you, Jill Scott or Erykah Badu, this or that. If you saw the Verzuz, you have an opinion about this as well.

Dominique Baker:

I'm never going to count the Verzuz because sometimes the technology got away from something. That's how I'll put that kind of thing.

Felecia Commodore:

That's a very kind way to say that.

Dominique Baker:

Thank you. Okay. Well, since I am currently in Dallas, Texas, it feels like I have to go Erykah Badu, although I do really appreciate Jilly from Philly. I was watching her Essence Festival set through Hulu. Thank you, technology. So it's a tough one for me, but that's where I'll have to go.

Royel Johnson:

Nice.

Tia Caldwell:

This is one I'm going to have to refer to Dominique's opinion on, which might happen repeatedly. I trust her judgment.

Dominique Baker:

Oh, thank you so much. This feels like I've been imbued with some really strong powers now here.

Tia Caldwell:

Yeah, tastemaker.

Felecia Commodore:

I just saw Erykah Badu last week, week before last. Amazing concert, but I've seen her multiple times. Really great. Okay. Wow. As we ponder upon those answers and academics and reality television, we want to welcome our guests today, and I let our listeners know that joining us today, our scholar and policy friends that are going to really help us bring down the cost of college and why this is not simply an issue of access, but also of equity and sustainability. In our discussion, we're going to explore the social, political and economic forces that shape college affordability. From SCOTUS' recent decision on student debt loan forgiveness to shrinking state funding for public higher education. We're going to be talking about all kinds of things around college affordability, hoping our guests can give us some insight into the real price students pay for college. So in the words of The O'Jays, some people got to have it, some people really need it. That's right. We're talking money, money, money. And since they say time is money, let's get to it.

Royel Johnson:

So tell us a little bit about yourself and the work that you've been engaged in as it relates to our conversation today.

Dominique Baker:

So I am a professor of education policy, and so broadly speaking, I enjoy thinking, noodling over the ways that we structure really our entire society around college, the things that we structure in our society that impact and influence where people go to college and which colleges they choose, whether or not they go to college, and also then it structures their life after they've exited higher education with or without a credential, and so one of the things that's always been really fascinating to me about how our society thinks about and structures college is what is the price of college. Who do we expect to pay for college, which frequently then comes to, well, what's the student loan system? What are our policies about student loans? Who takes out student loans? Is it easy or difficult to repay student loans?

All of my work, I think, touches on these pieces in some way, but I do have a sort of strong focus on trying to think about student loans and in particular, thinking about their intersection with race and racism to try to better understand what our structures currently produce, the type of environment, the type of world that we create, and what structures might need to happen if we don't like the current system.

Tia Caldwell:

So I'm not in academia. I am a policy analyst at the New America Foundation, which is a nonprofit. I'm a higher education analyst, and similar to Dominique, I think a lot about student loans. We're also really interested in who's getting well-served by student loans and who's not getting served in student loans. So a lot of research has spoken to people who have defaulted, who tend to be the least well off, but we also are of course looking at all the things that feed into that, Pell Grants, cost of college, everything, like the quagmire in higher education that we have today. And going back to not quite ancient history, but before that I used to work as a research assistant at the Congressional Budget Office, and that's the cost modeling of student loans and Pell Grants. So a bit more of the nerdy spreadsheet-driven work there.

Dominique Baker:

Oh, don't worry. I was talking to somebody... I was out shopping and we were talking about something and they were like, "Oh, what are you rushing off to go do?" and I was like, "Oh, yeah. I think I got to go warm up my throat because I've got an NPR interview and you always got to make sure your dulcet tones are working well for it," and they're like, "Oh my gosh. Your job's so dope," and I was like, "Don't you worry. I spend most of my time staring at spreadsheets. That's the majority of my job."

Felecia Commodore:

For some reason, I don't know if you all watch the show, Industry, on HBO, but when you said Congressional Budget Office, I just saw a bunch of young freshly out of college kids stressed out in front of computer screens. So for listeners who are less familiar, could you talk about or a little about why college affordability is such a problem today and who's being most disparately impacted by the college affordability challenge?

Tia Caldwell:

I mean, yeah, as we know, tuition costs have been rising way above the cost of other goods and services since the 1980s. It's slowed down a little bit now, but we're still at this equilibrium where college tuition

is unaffordable at a four-year college for most middle-class and poor families, and the question is why. A lot of times I think people just point to the fact that college education really depends on your professors, on your support staff, and these are all labor costs, and it's still today in this day and age costs a lot to properly pay someone. About 80% of the costs of college is funding for professors. So the result is that tuition goes up faster than the other costs of living, but that doesn't mean that college had to be unaffordable, and so I think the other big piece of this is that funding from our taxpayer dollars are no longer going to support the cost of college.

So state funding has really fallen, which I think we'll get into more, but state funding used to cover 40% of operating revenue in 1990, and now it covers half of that, 20%. And then the federal government could be kicking in, and the federal government does kick in a lot through Pell Grants, which are grants to undergrads, but even there, it hasn't kept up with the cost of college. So in 1975, the Pell Grant would cover 100% percent of the costs of a community college student, and that includes housing, food, and books, and now it covers 60%. So that's generally what we're seeing, high costs and not enough public investment.

Dominique Baker:

Yeah, and I'll bring in to say that I think part of the key thing when I am thinking broadly about college affordability is I like to think about where do most people go to college in the United States, and frequently the majority of people are attending regional public universities and community colleges. But then I also like to think about where does the majority of our funding go for higher education institutions, and those are places like an athletic league in the northeast and its peers, and so I think that that creates sort of the fundamental disconnect that we... When we're trying to think about what college affordability means for everyone in the United States, I think that is a really good example of that disconnect, because we can often talk about, "Oh, places like Princeton created no loan programs that make it so that students with families below a certain amount of money can attend without having to take out any loans," and that's a really great, awesome thing.

That is not going to solve the college affordability problem in our country though, because Princeton, A, doesn't enroll a ton of students, and B, it was able to amass the money to make sure that students don't have to take out loans by concentrating wealth over centuries. And so there's that piece where institutions that are going to be more likely to serve students across our country, especially Black and Brown students, students who come from families with fewer economic resources. They're the ones that get less money and they've sort of always gotten less money, but it's gotten worse over time in the same sort of timescale that Tia is talking about, that funding has decreased, it's hit those types of institutions harder than the institutions that have other private resources that they can tap into.

Felecia Commodore:

Yeah. Dominique, I'm really glad you brought up the disconnect when we have this discourse around college affordability, and I had like to ask both of you because I know you do a lot of public scholarship, and Tia, you're in the policy space. Why do you think it's so challenging to have this conversation in ways that, from my perspective, people can actually grasp? It's not just kind of like the car costs too much, but really understand these nuances of college affordability challenges. Why do you think that discourse is so hard?

Dominique Baker:

I'll start from a place that I think one of the key issues that I struggle a bit with is I try to think about other countries. So contrary to popular belief, the United States is not the only country that has higher education.

Felecia Commodore:

You don't say.

Dominique Baker:

I know, right? So sometimes it's good to peep what other people are doing, see what can work, what might make sense for us or understand why some things that might make sense for other places don't make sense for us, and so I think a lot about a number of other countries that for a very long time have had pretty stringent tuition caps on how much colleges are allowed to pay. I think a lot about Australia that we're sort of always comparing ourselves to because when we talk about student loan repayment plans that are based on how much income people make, that your payment can be judged based on how much income you're taking in, we often are modeling that off of an Australian model.

So I think a lot then about Australian higher education systems, and one of the things that always strikes me about them is that they are just really blunt and have a sort of nationally set system where they say, "This is how much y'all are allowed to charge. You're allowed to charge this much for a humanities degree, you're allowed to charge this much for a science engineering type degree, and that's what it is and we're moving on," and that makes it really easy to understand. Who sets tuition? The government sets tuition. We can argue, and dah, dah, dah, but that's really simple. In the United States, that is not the case. It's not the case that in DC they say, "This is how much tuition is going to be," and everybody says, "Got it. That's how much we're going to do." So different institutions charge different amounts, it's for different reasons.

And I recently did a research study looking at across the country just community colleges and when community colleges have an in-state tuition rate versus an in-district tuition rate, and where does that in-district tuition rate come from, and all of these things. So it just gets really complicated really quickly because we have a diverse set of institutions that have a lot of autonomy over how they set their pricing, and so it becomes really hard to try to explain that in a really clean, easy soundbite. And I haven't even brought in boards, and you darn well know how complicated it is to try to explain to people the importance and power of boards within higher education. We have a complex system and it's not easy to tell a complex story and in a really quick short soundbite.

Royel Johnson:

Yeah, yeah.

Tia Caldwell:

Yeah, I totally agree. I think the thing that I was going to say was, right, tuition is so different across different organizations and institutions that have really different goals. The University of Michigan is not the same as your local community college, but I think it's hard for the public to kind of understand all that nuance, and unfortunately, the press loves to talk about Princeton and Harvard and these schools that are really not serving the majority of students and don't have the same issues that the majority of schools have. And yeah, the last thing I just want to add is that even though all the schools are different, also your tuition is different for each student at any given school, and I think net tuition can be really confusing because students look at the list price. They say, "I can't go to this school." Little do they know

that there is basically price discrimination in the econ sense such that people are being charged different prices, and I think the lack of transparency there is really confusing.

Royel Johnson:

So part of the theme of this year's conferences around the purposes of higher education, and we started this season with two scholars, Bryan Brayboy and Linda Eisenmann, who offered us a bit of a historical perspective about higher education and some of the debates around whether or not it's a public or private good. How do conversations around that, the purpose of higher education and whether or not it is a public or private good influence decisions around financial aid and affordability, and whether or not people should be assuming the risk and the loan, the debt to pursue education?

Dominique Baker:

It's very loaded. I love that you said conversation, because in my head I was just thinking of fights because that's what they generally devolve into is-

Felecia Commodore:

Financial aid fight club thing.

Dominique Baker:

Right? It's really challenging to think through what is the... A, it is very challenging. I look forward to listening to that episode to try to process and think about the purposes of higher education in part because higher education institutions themselves seem to be a little bit struggling in which of those purposes they would like to uphold. But I think from a larger perspective, a really big challenge with this comes to we think that higher... We being a very general we, as a society, think that higher education is a public good when it benefits us in our arguments and think that it's a private good when it benefits us in our arguments, and it's not escaped my notice. And I'm going to throw this over to Tia.

It has not escaped my notice that we really shifted to a stronger push around it being a private good around the time that we opened college and universities up to more Black and Brown people, people with fewer economic resources. I don't think it's a coincidence that we started to think more about these individual returns instead of thinking about funding higher education in a way that was good for our larger society at the same time.

Tia Caldwell:

Yeah, I agree. You're definitely hearing this narrative about how education, higher education is a personal choice, it only benefits you, it's your fault if you got into a lot of debt, and I think this is really influencing the debt fight really, to use the debt fight term again. So it's definitely a huge question about who should be funding higher education and what it means for society, but it's worth pointing out that there are of course private benefits, but there's huge societal benefits to higher education. It makes the economy work better, it makes us a more productive economy. So there are huge public benefits. And just the last thing I'd flag is that you kind of see grad school as the final frontier here, even among more liberals, as whether grad school is that for you or is that for society? And I think we're all still kind of thinking that through, but more and more grad school is also seen as a prerequisite to some of these highly technical jobs that are key to the economy.

Felecia Commodore:

Yeah, it's been really interesting to me to watch the debt fight clubs on Twitter.

Royel Johnson:

That's going to be a name of a show, Debt Fight Club. Somebody's going to pitch that.

Felecia Commodore:

Because dealing with kind of the research I do and thinking about endowments and things like that, and I watched this discourse. I was just seeing the other day when Vice President Harris kind of posted what their new kind of strategy was now that the SCOTUS decision came out, and one of the first responses I saw to it was like, "Oh, I wish the government could bail me out of my credit card debt that I took on," and I was like, "Wow. We really don't understand how those two things aren't quite the same," and so I do think it makes it challenging to have that conversation when people are... There has been a messaging by particular sector of our politic or politicians that this is a private good, and it's kind of like you brought this upon yourself and not seeing that the thread through society and how it impacts us as a full society and community.

Dominique Baker:

One of the things that always gets me about this is that when people went to college and took out student loans, they did everything that we told them to do. We told people that the way to have a financially secure life, and I'm not even saying prosperous, just a financially secure life where you have healthcare, and I don't know, the hope of retirement... I've sort of given that up. But okay, the hope of retirement is to go to college. And if the only way that you can pay for college is through student loans, then that's it, but that is your ticket to having some sort of peace in your future. So it is incredibly disingenuous to act as if these are people that just off the top of their head decided that what they wanted to do was go to college when we have structured our entire society to say that the way that you can make sure that you and yours are okay in this world is to go to college.

Felecia Commodore:

Absolutely. Absolutely.

Royel Johnson:

Tia, you mentioned earlier about the shrinking funding for public higher education and there was a report by NEA, National Education Association, that found that 32 states are spending less on public colleges and universities than they did in 2008, obviously leaving more expenses for students to pay out of pocket. Why is that the case? Why are states deciding to not invest in public higher education the same way?

Tia Caldwell:

Yeah. I mean, part of it is just resources. So states' taxation power is a little bit less than the federal government. They also can't borrow the federal government can, and the federal government has a bunch of things that spends money on and higher education is 2% of that, and then states it's the third-highest expenditure after K through 12 education and Medicaid. And so what I think we're seeing is the effect of in hard times, especially the 2008 recession and in all previous recessions, we see states looking to slash funding somewhere, and a lot of times higher education is what's getting a lot of money cut,

and then it's not increasing as much as we would see during recovery times, again, because of these other obligations.

And I wouldn't want to leave politics out of this as a decision for what gets funded and what doesn't, but I think in general there are these budget constraints. And then I'd love to talk about the research on what that does to the students. Some really cool recent research that specifically looks at when states cut their appropriations for higher ed, what happens, and it's different for four year and two year, which I feel like is a theme already in our conversation. The four-year colleges, they tend to increase their tuition, the students have to take on more debt. It's not great.

But at the two-year colleges, things look way worse. So these schools are committed to providing affordable education, so they're not increasing their tuition too much because their students probably wouldn't be able to go. Instead, they're lowering their quality and the result is that students aren't getting education that they expect. They're less likely to get a BA, which just means they're less likely to be able to own a home, and they're by far more likely to default and then live in a low-income neighborhood by the time they're 30. So just to say, this all sounded depressing. I guess you could flip it around and say when states spend on community college students are better off, so maybe we should word it like that.

Dominique Baker:

No. I think that... This is why I watch reality TV, so I could watch something that's mildly more depressing than the thing I study.

Felecia Commodore:

I just told our executive director, Jason, this. I watch trash television to make me feel better about my life.

Dominique Baker:

Sure. And look, it's been successful so far, so I'm not going to change it. No, Tia, I think that's spot on, and the only thing I was thinking about is I don't think we can divorce the politics part from this, that we are in a space and time where higher education is under attack, and there's a reality that in fact, these appropriations in some ways are being dangled as a way to get higher education to do other types of things. It hasn't escaped a number of our notice that in Texas, as an example, when we saw legislative bills that were going that would be targeting... They wanted to do things like close DI offices, to stop any sort of training around becoming better at creating an equitable campus climate, those types of things.

That generally speaking, the presidents of universities and state systems really didn't push back that hard, and it's more than likely a mix of these appropriations and concerns about cuts and the fact that at the same time the legislatures were doing things around trying to attack tenure. And so this is also the case that because these appropriations matter so much for the institutions to be able to actually educate students well and contribute with research and all sorts of things like that, they're being used as a sort of cudgel, I guess, to encourage the institutions to make decisions that certain policymakers would prefer.

Felecia Commodore:

I'm really glad to hear you talked about how even within the public sector there are sub-sectors that are impacted differently. And we think about community colleges. I also think about we've seen these cases of states where the public HBCUs actually proved how they have been disparately and discriminator

funded over the years. And so even within the public sector as a whole is being defunded, when you start to even break down within that sector, there are sections, like MSIs and community colleges and HBCUs, that are even getting funded even less, and a lot of times those are the institutions, as you point out, that are carrying the lion's share of enrollment for that state or that region.

And I think sometimes there's a narrative of the public flagship, and I don't even like using the word flagship, but the big public, and it's like, "Well, they look fine." It's like, "Yeah, they have a lot of private money that they're raising over there. That's why they look fine.: They also tend to have more selectivity when it comes to enrollment, whereas these community colleges, MSIs, HBCUs, who really need this funding and are the ones who are actually controlling their tuition or attempting to are not getting that funding in the ways that can really support them in doing the work that they're doing.

Tia Caldwell:

Yeah, that's exactly right. I think sometimes funding decisions are exactly opposite, where people want to support their flagship, their gem, and then they're not giving the money to the students who need it the most and the schools that need it the most.

Felecia Commodore:

Well, recently our SCOTUS, they've been active this past month and they struck down Biden's student loan forgiveness program, which would have provided relief for an estimated 43 million people. Why was this program so important and what are your thoughts around what happened?

Dominique Baker:

This program was important because I think if we go back to that piece where people have done exactly what we told them to do in order to try to get some sort of financial security, they have gone to college, they've taken out debt, some people have earned a credential, some people have not, but in a lot of ways we sort of broke our fundamental public compact by allowing people to take out this level of debt in the first place. So because we broke that in the first place, this is the sort of type of thing you need to do to remediate. Whenever we think about past harms, we have to think about what we do to provide relief to those we harmed, and then we have to think about how we stop doing that harm moving forward.

And so the Biden-Harris debt cancellation policy from last August, the goal for that was to work on the remediation part to provide some relief to people, and it's unfortunate that the Supreme Court decided that that was not within their purview underneath the rules that they were using. So the administration decided to create their debt cancellation policy through the HEROES Act, which is basically a bill that we had that starts after 9/11, but the basic idea is it's how we think about when there are major disasters in our country, and what we do to respond to major disasters. And so part of it at the start was to empower the Secretary of Education to be able to make some more nimble decisions in times of disaster, and so that is the same rule under which they tried to make these decisions.

Clearly the Supreme Court disagreed, and so now the Biden administration is looking at the rulemaking process to instead make changes, which the very, very short version of that is when it comes to how the federal government works, we think a lot about Congress making laws and they make a law and then that law happens, but the reality is that they make a law and that law is mad vague. Most laws are written almost completely just vibes, and from there, it's the responsibility of different agencies and other stakeholders to put together what we call rules and regulations. And that's how we actually implement the vibes. And so because of that, there are rules underneath the Higher Education Act that

the Department of Education is assumed is going to try to move forward in order to create a new rule to do the same type of debt cancellation relief that they would've done using the old policy.

Royel Johnson:

So what do we anticipate as the impact of this? I know already there've been conversations. Biden has already entertained an alternative strategy, and we can talk about that later, but what do we anticipate as the impact of SCOTUS striking down this forgiveness program and how will it affect families and communities essentially?

Dominique Baker:

Oh, yeah. No, it's not good.

Felecia Commodore:

I love how blunt you were with that like, "It's just not good."

Royel Johnson:

I mean, some of us are preparing to pay back loans ourself within the next month, right?

Felecia Commodore:

Right. I'm preparing to let Jesus pay it all.

Dominique Baker:

This is the joys of studying policy rate is part of the trickiness is the Biden administration feels like they have to make that payments are starting, because a little bit ago we had a little fight about the debt ceiling that would've destroyed our entire economy basically, and so part of the compromise to get Republicans on board for that was a guarantee that payments will restart. So they can't go back on that, which is why they've created what they call the On-Ramp Program where you can make payments on your student loan payments for a year basically, and if you miss a payment that it won't be reported to the credit bureau. So it sort of won't start the default process delinquency, which can lead to default. Although your interest will still be accumulating if you miss payments, and I don't believe that those missed payments will count towards any of the sort of debt forgiveness plans that we have for public service loan forgiveness or other things like that.

And so what that means is for a lot of people, just a ton of confusion. Well, what am I supposed to do? So payments have started, but I can miss payments. But if I do miss payments, interest will accrue. Wait. What's going on here? And then in addition to that, it's the fact that a lot of people have gotten used to... I saw someone say this and I thought it was so good. A lot of people have gotten used to what it must've been like to live in the 1950s and '60s where you went to college and then all of a sudden you have some extra money where you might buy a house or regularly feed yourself and your family.

Felecia Commodore:

Get a little patch of grass.

Dominique Baker:

You out here, you got a dog, you out here living, just living a good life. And so people got a taste of that for years, and they're now coming into an environment where a significant part of their pay now needs to go to these student loans. There's no way that can't impact people.

Felecia Commodore:

Yeah. I think what you just shared is also really important too, because as a person who has a few degrees here, the student loan repayment process, it's got to be one of the most complicated systems ever. Even when they were having the discussions of the public service loan forgiveness, it was like, "Well, only if you had these loans," and then these loans are federal loans, but they're not really federal loans, and then, oh, these-

Royel Johnson:

Who's servicing the grant, right?

Felecia Commodore:

Right. I had federal loans when I took them out, now somebody owns them. I didn't know somebody own them. Who are these people that own my loan? It's a complicated system as well, I think, and even with that, the relief I think that would come for people to be like, "I just don't have to deal with that anymore," and figuring out if I actually paid off my loans or just paid off my interest and all of these things as well.

Royel Johnson:

So we just need to collectively decide that we're not going to pay them back. We just need a national campaign to say, "Who's going to check us? Who's going to check us?"

Dominique Baker:

And so this is a thing that some people are organizing around is a debt strike where they're making-

Royel Johnson:

Where can we get more information about this? We could tell our listeners.

Dominique Baker:

And this is part of the challenge because it is the case that interest will still be accruing, that there can be severe penalties if you default on your student loans, including not just things like your credit score, but eventually garnishing wages, garnishing social security. So it's a real pickle to try to navigate those pieces, and I think what you're saying about the difficulty of repayment is so true, because in fact, within the past week, the Biden administration announced that some fixes that they made to one of our repayment plans will now be forgiving automatically nearly \$40 billion in student loan. Those are just fixes to repayment plans because certain things weren't counted correctly previously or all these sorts of things. Yeah, this is not a perfect system by any means.

Felecia Commodore:

Mm-hmm.

Royel Johnson:

Can we talk about how difficult it is to even call them? Has anyone ever tried to call their office? How difficult it is to even try to speak to someone? Tia, you were going to say something, sorry, but I just wanted to note this.

Tia Caldwell:

Oh, yeah. I mean, this is a great point. I mean, one of the problems is that the agency in charge of making sure the people who pick up your phone call are funded got flat funded last year, and there's so much going on with student loans and the servicers aren't sure what's going on either. Yeah, to have somebody pick up your phone that there's going to be money flowing to them. Yeah, I just want to flag that, okay, if you were risk-adverse and weren't sure about a debt strike, there is probably... The Biden administration is working hard to try to streamline this, although you're right, it's quagmire already, but they've tried to make the one IDR plan and the other IDR plans... Because it's supposed to be so generous. It's called SAVE.

Royel Johnson:

Will you break down IDR for our listeners?

Tia Caldwell:

Yeah, it's an income-driven repayment plan. So instead of paying based on how much your loan is, you pay based on how much income you have and how big your family size is, and then at the end of 20 or 25 years, which is a long time, but still you'll get anything that you didn't pay completely forgiven. The new income driven repayment plan is much more generous. So if you make less than \$15 an hour or less than around 30k per year, you won't owe anything on your loans ever, and for people making more than that, their payments are cut in half if it's undergrad debt, otherwise probably a lot lower. So I mean, it's still waiting 20 to 25 years to get your debt forgiven and trusting that work. We just saw that there's been a lot of bumps in the road to get that to work, but definitely an option hopefully getting folks to live that life, buy a home and start a family and have some relief.

Dominique Baker:

I want to emphasize the part where we're asking a lot of the Department of Education-

Felecia Commodore:

That they weren't really built to do.

Dominique Baker:

Right, for things that it was not built to do and that it's actively not being funded to do. So that really matters when we think about, we've had servicers that have left the servicing system and they have to take care of that, they put together all the plan work for the cancellation policy, they put together all the plan work for the new version of income-driven repayment, called SAVE. They are helping to turn payments back. All of these pieces is by an office that needs a lot more money and a lot more capacity than what it currently has to be able to do, and that's actually part of the reason why servicers have announced that they've had to cut back on some of their customer service hours. Part of the reason you can't get a phone call through sometimes is because we haven't funded the agency that's supposed to run this adequately, and so they have to... When they're figuring out how they pay servicers, they've had to do things like cut part of their customer service hours.

Felecia Commodore:

That's good to know and understand. So thinking about everything we're talking about, the underfunding or the defunding of public higher education, the challenges around student loans and student debt, what are the levers we do have to make college more affordable and are there policy decisions that we should be paying attention to, on the lookout for, to help move us in that direction?

Tia Caldwell:

One thing I'm excited about that's already in the books is a regulation called gainful employment, and this is an attempt to not only does it matter that you go to college, it also matters that you go to a high quality college, and this regulation would make some of the worst for-profit schools and also some short-term programs no longer eligible to give out loans or Pell Grants, and actually this will do more than it sounds like to help address the student loan debt because for-profits create the majority of defaults in the country. So when we make sure students are borrowing, they're going to high schools, then of course IDR is like a backend solution. Other frontend solutions would be increasing the Pell Grant. A lot of people talk about doubling the Pell Grant so that it finally does cover more of your tuition and cost of living, especially for your community college students. And then one of my colleagues has an idea where you'd give more money directly to colleges in exchange for having them cap tuition. So there's a lot of ways out there that we could make college more affordable for students.

Felecia Commodore:

And Tia, just real quickly, because I think there are probably some of our faculty friends out here who heard you say gainful employment and their knees started to itch. So could you unpack that a little bit about what that means, gainful employment for that policy?

Tia Caldwell:

Yeah, it's kind of a wonky term, but basically the Higher Education Act says that certain programs need to result in gainful employment in order for their students to receive federal financial aid, and these are only for-profit programs and certificate programs. So for your public schools, your nonprofit schools, this regulation barely affects them. First off, they do a good job passing the metrics, but they also don't need to pass the metrics. It's just icing on the cake. So they're largely exempt, but the regulations still do a great job of targeting where the worst abuses are, because for whatever reason, I guess the profit motive is strong. For-profit colleges tend to produce more of these problems, more of this unaffordable debt, more of these low earnings, and so those colleges would need to be able to show that their earnings are higher than a person who has only a high school degree, which should be easy to do, you're a college supposedly, and also that the debt is affordable based on the earnings.

Felecia Commodore:

Yeah, and I think to your point, when we think about for-profits, when we talk about disparate outcomes or impact, we look... For-profits at one point were the top 10 producers of bachelor degrees for Black students and students of color, and so when we think about who's shouldering that debt, I think that's important to bring up.

Royel Johnson:

Yeah, the profile of students.

Felecia Commodore:

Dominique, what are your thoughts around what levers we have or what policies we should be paying attention to?

Dominique Baker:

Yes, I was definitely going to echo the policies Tia was mentioning. I'll throw in there the second take at debt cancellation. So especially for my faculty friends out there, we are in for at least a six-month process, give or take of rulemaking that involves several different points that will be very public-facing. I mean, this is a public process, and so there are lots of ways, quite frankly, that faculty members can participate and join in, but also just if you want to read tea leaves, that's a great way to do it as well. So there are public comment sessions that can happen when they start going through negotiated rulemaking, which very simply is where stakeholders that have been selected by the Department of Education come together and get a chance to discuss elements of what the proposed rule would be around debt cancellation and provide their thoughts and all those sorts of things.

Those are public, so people can sign up to watch those. When they have the idea for a proposed final rule, there's a part where the public can comment. And so there's lots of different ways that you can see how that process is going. That is what I'll be paying a lot of attention to for the rest of this calendar year, is looking at that process and seeing what the Department of Education appears to be doing around debt cancellation, because both from the research perspective around student loans and the ways that debt cancellation can make a lot of sense, but it would be really silly if I didn't acknowledge the fact that from a political perspective, a lot of the narratives around the midterm election seemed to be that a number of the votes that were happening for Democrats were in part because of student debt cancellation.

So if that's true, it would be really silly of me to ignore the fact that there might be an election next year, and so I am interested in seeing how quickly some of these things move because I would not be shocked if that isn't a part of the calculus that they're using when they think about those methods forward.

Felecia Commodore:

Yeah, and something you said just made me think of something on an institutional level when we talk about levers, particularly for public institutions, one of the things that encourage folks to do is really look at, we touched on this earlier, board meetings. Usually on an institutional level when a board at a public is about to have a conversation about tuition costs, there's a public comment portion of that meeting, and then their agenda has to be posted, and now sometimes you have to dig a little bit to find it, but I encourage stakeholders, either in that community or students even, faculty, who are passionate about tuition, cost and control to really try to get in those public comment spaces and at least go on record of having expressed concern for those things. So that's another area, but I mean, ultimately it just seems like we all have to kind of be diligent because there's a lot of conversation happening at the same time in various spaces.

Royel Johnson:

So for students and families who are listening to this conversation and who are at the point of making a determination about whether or not college is worth it and whether or not we should assume the debt related to this sort of expense, what recommendations, advice do you have for them for navigating this landscape of college unaffordability?

Tia Caldwell:

I think the research is pretty clear that college can be worth it, but it's really not always worth it, and unfortunately until we have these regulations that make sure that if you're going to a accredited school that the Department of Education is tacitly endorsed by offering student loans and grants, that that's a good school. Until we have that world, it's kind of up to the student, even though it shouldn't be, to make sure that their education is going to pay off.

So some tips for that. There's been a big initiative under the Obama administration to make this data more available to students, and it's called College Scorecard, and there you can see, "I want to go to the school. How much do graduates usually make?" And you might find that it's not as high as you thought it would be, or maybe it's higher. And you can see what's the graduation rate, and if the graduation rate is quite low, it's probably a sign that the school isn't providing the services and support that students like you are going to need. And then this is just a personal thing, but I feel like I got a lot of advice to talk to current students. I would expand that and say, talk to people who graduated, talk to people who tried to go to the school but stopped out, because they're people who know whether the degree actually helps in the job market, which is a little bit different than the experience of being a student. Obviously, that's tough, but folks are really nice, I think, if you reach out.

Felecia Commodore:

Yeah.

Dominique Baker:

So I will definitely echo the fact that we are putting students and their families in the situation of having to assess something that state and federal government and local governments should be doing for them, and so I want to acknowledge that. So if it feels a little bit daunting, you're not crazy. This is a thing that we should not be forcing folks to have to decide on their own. I guess I will add in that whenever possible, the strongest recommendation I typically have is that you would rather have federal financial aid than any sort of private loans, or things of that nature, and if at all possible, attending an institution that can help with facilitating that can be the sort of best option available. I think about people who had to take out private loans for college and then during the pandemic there was no pause because they weren't federal loans, and so that is a thing that I will say.

But yes, unfortunately what we were left with is students and their families have to make the best assessments that are available to them, which takes in a host of things around their other responsibilities, whether that's care responsibilities, other types of things in their lives, how far away they feel they can go for college, just all sorts of things. It's a really difficult decision.

Felecia Commodore:

Yeah, and one of the things I've noticed with working with students and having worked formally in admissions is having people that can help you understand the complexity of a financial aid package, because one of the things that I saw when I worked as an admissions counselor, but also having two college-age nephews who don't care that I study higher education, is that you'll see this scholarship or this grant and it looks like a lot of money, but students don't understand what that means when it comes to net price and that you may get a lot of money, but the institution is going to cost you another \$15,000 out of pocket where you may only get a \$7,000 grant or scholarship from a school, but their tuition is \$9,000, so you're actually paying less out of pocket. And then the difference between loans and grants and federal loans and private loans and scholarships and what all these things mean.

And so I think also as higher education, when we think about practices, how are we helping demystify these financial aid packages and these practices so that students actually understand and families actually understand what they're making a decision about. It's not always clear when we just look at kind of numbers on a page of how much money you're getting.

Dominique Baker:

No, I think that's completely fair. And this is one of the things they tried with things like testing out something that's sort of like a shopping sheet that was able to more standardize the financial aid packages to try to help people. And from the studies that we've seen, it's not really clear that that necessarily makes a big bang here, and I think part of it is because what it requires is a person chatting with you about all the things you're talking about, so you can ask questions and all those sorts of pieces. And so it's hard to think through what does that mean. And so when I think about what institutions could do, I think about are there ways to have people from the financial aid office who are designated to be able to do sort of that type of interfacing with folks.

Part of the challenge is financial aid offers come at the oddest point in the cycle of making these types of decisions, and that's true... I think maybe some listeners are sort of automatically thinking of something where like, "Oh, you apply in the fall and then you find out in April," but even if you are interested in starting at a community college, which has a much more truncated timeline, it is still the case that it can be really odd the timing of when you get financial aid information, and it is never before you've applied. You have to apply first. And so it creates a real difficulty that you have to have applied already to know how much help the institution might be able to provide you.

So I'll just always throw out there as well that most colleges and universities can have waivers for the application fee, and so I strongly recommend using those, and if that is sort of a barrier to applying to be able to find out what type of financial aid you might get, then that's a strong recommend, and I also recommend to families to check out the net price calculator that's available on college's websites. These are mandated by the Feds, which means every university has one. They don't always do the best job of showing that it's there, but every one of them has to have one where you can put in some basic information about your income and things and your family size and things like that, and find out roughly how much people like you have gotten in financial aid before.

Felecia Commodore:

And I'm going to pull out one of my trusty dusty soap boxes that I travel around with, and also in conjunction with what Dominique just shared, for everyone, all of my families and students out there, wait until you get every acceptance letter and every financial aid package before you make a decision, because what we know is that some institutions are strategic in when they send out things to make students, particularly first generation students, students who don't have a lot of experience with the admissions process.

They'll send things out very early and it'll create this fear for students that like, "Oh, I didn't get in anywhere else, or this is going to be the only place it gives me money," and they make decisions out of haste, and then a month later all their other schools come in and packages come in. So if you do get to the point where you're finding out your package afterwards, you don't have really a good idea, sit down and wait until you have all the packages, put them all in front of you and get some help if you need it to figure out who's actually going to be the best investment for your student and your family.

Tia Caldwell:

Yeah, that makes a lot of sense. And totally agree that there should ideally be somebody sitting down with you to help you figure that all out, but even if there's not, I just think it's kind of wild that these financial aid letters aren't regulated at all. You can have things like... People at my org, New America, looked through a bunch of these several years ago and they found sometimes people would list what are loans and not use the term loan or debt, they'd call it org.

Felecia Commodore:

Exactly.

Tia Caldwell:

Yeah. I mean, who can figure that out? And so that's something that should be fixed and there's legislation that we hope would fix that but hasn't passed yet. And then just one other thing on the radar is the FAFSA Simplification Act was passed, and so next year the hope is that this act will make it a little bit better because you can link to your tax returns and hopefully it'll give students an estimate of their award before having to go through this whole process because the timeline is kind of backwards currently.

Royel Johnson:

Got it.

Dominique Baker:

And I'd just like to throw out there that part of the reason that the implementation of the FAFSA Simplification Act has been delayed is because the agency we keep harping on didn't get as much funding as it should have, and so since they're dealing with... Keep a running tally of all the things we've said that they're dealing with, that means they weren't able to do things as quickly as they would like, so that gets delayed, and I think that comes to the parts that we haven't explicitly said. We are talking a lot about the Department of Education today, but as all our intro public policy classes say we've got a Congress, and actually they're the ones when we talk about, "Oh, the student loan repayment system is a mess, and really what we want to do is this or that," nine times out of 10 the things that we come up with that we think would be better, that's under the purview of Congress, and the Department of Education is doing what they can to create rules and regulations to implement what Congress told them to do.

So I always try to bring that up if I can, because a great example, again, we talk about Australia a lot as a comparison, Australia pulls your student loan payments out of your check, like you would with Social Security, and that's a game change because there is no certifying your income every year type thing that we have to do. They look at your income, they see what it is, and then they just pull it out like, "Oh, okay. Easy-peasy. You don't have to worry about it."

Felecia Commodore:

Before you ever see your money, so it's just like-

Dominique Baker:

Exactly. So way simpler. That's going to take Congress. That's not something that Ed can just do on their own. And so I just think it's important that when we think more broadly about this, Congress has to play

a role, the states have to play a role. Part of the reason we are in the mess we're currently in is the Department of Education can only do so much.

Felecia Commodore:

Yeah. This has been really great and insightful, and I think, again, that you both have been really great in helping us unpack a very complex issue to really understand it, so thank you for that. So we have one final question, and that is what keeps you engaged in this difficult, but important work?

Tia Caldwell:

So higher education is such an interesting moment because students have already gone through K through 12, they've already had their early ed, and it's a moment when either investments can fix existing inequalities and try to change what's happened before, or existing inequalities can be solidified through an unfair system that educates a small elite at elite institutions that propels them back into the elite. So I just think it's a really important area to study and to figure out if higher education is running as the engine of social mobility that we hope. And so it's just such an important issue. And then personally, I'm a little bit of a nerd, and I like that there are so many unsolved problems. We don't know exactly when do student loans help students and when is it too much, all these sort of nitty-gritty questions that kind of require analysts to think about, and so that's also how I get my day-to-day interesting things to think about.

Dominique Baker:

This is a question. As you all know. I also study admissions policies and race conscious admissions. It has been a rough July for Dominique.

Felecia Commodore:

I was going to say, it's been a lot of binge-watching of Real Housewives, I imagine.

Dominique Baker:

In fact, I said, "You know what? A girl has not seen the new Miami seasons that are on Peacock only, and this is the time that it's going to happen." Yes. So it's hard. I think we are at a challenging moment as a country where we see backsliding within our democracy, we see naked attacks and pushes for censorship of people who would just like to live, period, much less thrive. They would just like to live. And so I struggle with this. I think two things keep me coming back. One being I've worked really hard to try to think about what is my North Star in my career and that North Star is divorced from what my specific job is.

So what I mean by that is that I want to be a part of something that helps to advance justice, that helps in particular racial justice, but justice of all kinds. Right now, I'm a professor, and so I do research that tries to focus on that. I do public scholarship. I teach in a way that tries to work on that, the service work that I do, but it's my higher goals that I'm thinking about and not goals, like how many pubs do I have, or what does that residual check look like for those books that I've written with some people potentially on this podcast.

Felecia Commodore:

A dollar and 50 cents.

Dominique Baker:

Yes, girl. Look, get that little check, come in for rallies. Hit that Red Lobster. So I'm trying to think about those bigger things, and I think that helps me to orient my daily practice, but also when I'm thinking about the larger moves that I'm trying to make. It helps me to focus more on these bigger pieces that matter so much more than just the nitty-gritty in-fighting. This part of the reason that Debt Fight Club is something that I can more frequently laugh about than get very angry about, A, just because nerds fighting is always funny to me.

Felecia Commodore:

Me too.

Dominique Baker:

Right? I'm just like, "For real though, nobody's swinging on nobody. Stop."

Felecia Commodore:

Nobody. We're going to pull out at the source and see who can come up with the most hurtful word no one understands.

Dominique Baker:

It's just not going to stop. There's real stuff in this world. But yeah, part of the reason I can just look at that and be like, "Y'all silly," is because I understand there are people that are in pain. There are people that are suffering because of deliberate policy decisions that we've made or deliberate indifference to the harms that we have done, and when I keep that as my focus, then okay, that means that I am incredibly disheartened, but the next day we pick it up or day of when I pick up the phone to talk to people, it's about moving that work forward.

And I guess the second very short thing I'll say is also I believe very strongly in collective action. I think the powers of collective action are just astounding when you think about it for just a second. When you just glimpse for a moment and you have true clarity around just how powerful it can be. And so part of that means to me that when I am struggling, when the weight of this feels like it's too much and I just got to break down in a corner somewhere, I can do that because I know that there are other people that can take it up for a little bit, and the reverse is true as well. Truly on the day that the race conscious admissions decision came down, I was fielding a number of interviews, and a friend of mine who does a lot of this type of work was just telling me basically, "Thank you. I physically can't right now."

And a couple of days later when I couldn't, I was fielding people to, "Oh, you should go talk to this person. You should go talk to that person." So I think part of this is that when I think about this collectively, when I am so very not interested in, "I need this thing to cite Dominique Baker for this," or dah-dah-dah, when we are thinking about this as a group project, then that means that I have a chance to keenly feel the pain because someone else is able to take up the mantle for a little bit.

Royel Johnson:

Mm-hmm. I mean, I think that's a beautiful way to close this conversation. Thank you all so much for engaging, being in community with us. It is an honor to share space and to learn from you and continue to work ahead alongside you. Thank you for engaging.

Dominique Baker:

Thank you all for having us.

Tia Caldwell:

Thank you.

Royel Johnson:

Thank you to our guests, Doctors Dominique Baker and Tia Caldwell for joining us today and making plain the challenges, complexities and current predicament regarding the student debt, student loans, and college unaffordability.

Felecia Commodore:

At the end of each conversation, we like to engage in a segment called Scholar Soundtrack as we reflect on what musical selections rang in our minds as we think about the day's conversation. For us, the song that came to mind today was Money by Cardi B, because when we get down to it, that's what we're talking about here. Who has the money, who can't access the money, how can we redistribute the money in equitable and impactful ways, and why it is important for the higher education community and stakeholders to advocate for the use and distribution of resources in ways that support those who need it most, bring relief to those who need it most and support the institutions carrying the most when it comes to the task of changing lives, changing communities, and changing the world by educating the majority of our students. If we want to continue to live out the purposes of higher education, money matters.

Audio:

(singing)

Felecia Commodore:

Well, that is today's song for our Scholar Soundtrack. You'll be able to find a playlist of these songs along with the syllabus for today's episode and all of the episodes in the ASHE Presidential podcast series, and we're still rolling on.

Royel Johnson:

Buckle up and get ready for the conversations to come. You don't want to miss this. Join us next week for our last episode as we continue to discuss the purposes, politics and practices of higher education with Doctors Robin Hughes and Candace Hall. To next week, I'm Royel.

Felecia Commodore:

I'm Felicia.

Royel Johnson:

Until next time, be fearless.

Felecia Commodore:

Be fearless.