**Masarykova univerzita**

**Pedagogická fakulta**

**Závěrečná práce**

**Brno 2019**

**Mgr. Petr Doležel**

**MASARYK UNIVERSITY**

**FACULTY OF EDUCATION**

**Department of English Language and Literature**

# The Cost of Higher Education in the USA and Its Impact on American Society

**Final Thesis**

**Brno 2019**

**Thesis Supervisor:**
**Mgr. Zdeněk Janík, M. A., Ph.D.,**

**Author:**
**Mgr. Petr Doležel**

**Prohlášení:**

**Prohlašuji, že jsem závěrečnou práci vypracoval samostatně, s využitím pouze citovaných literárních pramenů, dalších informací a zdrojů v souladu s Disciplinárním řádem pro studenty Pedagogické fakulty Masarykovy univerzity a se zákonem č. 121/2000Sb., o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon), ve znění pozdějších předpisů.**

**……………………………………**

**V Brně dne 5. června 2019 Mgr. Petr Doležel**

**Affirmation:**
**I hereby declare that I have worked on this thesis independently and that I have used only the sources listed in the Bibliography.**
**I agree that the thesis will be deposited in the library of the Faculty of Education at Masaryk University in Brno and made available for academic purposes.**

**June 5, 2019**

**…………………….**

**Acknowledgments:**

**I would like to thank my supervisor, Mgr. Zdeněk Janík, M.A., Ph.D., for his time, kindness and patience.**

## Anotace

Hlavním cílem této práce je popsat a pochopit současný stav vyššího vzdělávání ve Spojených státech amerických vzhledem k nákladům pro studenty. Existují dva protichůdné pohledy na systém placení za studium.

Po krátké úvodní kapitole je práce rozdělena do tří dalších kapitol ukončených závěrečným shrnutím.

První kapitola popisuje současný stav vyššího vzdělávání v USA. Popisuje důležitost vzdělání a propojení se světem výzkumu a byznysu. Zároveň seznamuje s náklady a jejich dopady na znevýhodněné skupiny obyvatel.

Druhá kapitola poodkrývá historii poplatků na vysokých školách během historie a zejména poukazuje také na strmé zvýšení nákladů na vzdělání zejména díky rozmachu státních zásahů v průběhu 20. století.

Třetí kapitola analyzuje možnosti studentů ucházejících se o vysokoškolské vzdělání. Diskutuje o vhodnosti federálních programů pomoci a jejich efektivitě. Současně se snaží vnést světlo do problematiky poukazující na nižší kvalitu středního vzdělávání v kontrastu s univerzitním. Dále se odvolává na odborníky poukazující na neudržitelnost současného růstu nákladů na vyšší vzdělávání v USA a jeho negativní aspekty ohrožující ekonomiku této země. V neposlední řadě debatuje o nových překážkách pro zahraniční studenty, kteří se zajímají o studium na vysokých školách ve Spojených státech.

Závěr práce pokládá základní otázky o budoucnosti vyššího vzdělávání, zejména otázky ohledně možnosti regulací zmiňovaného systému ze strany státních orgánů.

## Klíčová slova:

Vzdělávání, náklady, zvýšení, vysoké školy, vláda

## Annotation

The principal objective of the thesis is to shed some light on and understand the current state of U.S. education system in terms of the costs for its students. There are two opposite views of the current system.

The brief introduction includes general information about given issue.

The first chapter describes the current state of college and university education in the U.S. It stresses the importance of such education in a connection with businesses, entrepreneurs and innovative companies. This chapter also presents the current costs (tuition fees and other expenses associated with studying beyond high school) and its impact on disadvantaged families which need to look for cheaper alternatives.

The second chapter tracks the history of tuition fees throughout the U.S. history. Then the chapter deals with the increase in enrollments along with an enormous hike of tuition costs during the 20th century mainly due to an increasing government involvement in the educational process.

The third analyses equal opportunities for all students to enter colleges and universities. Grants and other ways of government help are being discussed from the vantage point of their effectiveness and target beneficiaries as well. The chapter further discusses the quality difference between K-12 schools and college education in the U.S. by an international comparison and presents different views and ideas connected with this issue. In addition, the chapter proves the connection between rising tuition fees and its impact on the economy as a whole, especially on the spending power of young graduates in their post-school years. It also touches on the role of foreign students mix present in U.S. colleges and universities with understanding of its impact on the economy of these institutions.

The conclusion asks whether the current trend is sustainable without a need of more strict government control and oversight.

## Keywords

Education, costs, increase, colleges and universities, government

# The Cost of Higher Education in the USA and Its Impact on American Society

**Table of contents**

# Introduction

The impetus to write this thesis was initiated by my students who have been asking me about studying abroad for a few years. Many of them are achievers seeking more experience and knowledge that could help their future carriers and lives. Some of them are also keen on new challenges upon them. Thus, as their teacher who had spent many years abroad, I should be able to provide them with some necessary advice and opinion. Most pupils in the Czech Republic are used to taking education as an entitlement, being very surprised at its costs abroad, especially in the U.S. It is also confusing for them to understand the difference between universities and colleges, private, state and community schools. As a consequence, this thesis has been written for them, as well as for the other international students who have been looking for spending some time studying west of the Atlantic Ocean.

Every country has its own systems when it comes to education, health care or social affairs.

Education is among those that need a certain government regulation and help since it prepares the young generations for their professional carriers, which in turn contribute to the wellbeing of our society. The only question that remains is how much of the help is really needed. The U.S. is a country of great universities giving thousands of young individuals an opportunity to start their lives off on the right foot. Who wouldn't know Harvard, Princeton, Yale and many other top universities? Nevertheless, only a handful of fortunate parents can afford such places.

Fortunately, there has been a number of educational institutions offering studying at lower costs. Among them are state universities, giving their students nearly equivalent outcomes as the private ones mentioned above. In addition to these, there are thousands of community colleges throughout the country that help their admitted ones gain either some technical and theoretical skills for their future jobs or allow many to obtain college credits for a fraction of their costs at state or private universities.

While such institutions make education more accessible, additional expenses (room, board, and books) make it unsustainable for many parents to afford paying for their children's college education. Therefore, many students must rely on student loans which seem convenient during their studies but may turn to a large problem when back payments come due. Many middle-aged Americans are still burdened by their college debts that make them unable to afford their own homes or families. Many of them declare bankruptcies over other loans. However, student loans are exempted from it, therefore young people or their parents are obliged to pay them in full regardless of the university degree effect on their professional carriers.

The government stepped in financing for colleges during the Great Recession and later for a number of veterans returning from WWII. In 1960s, the Congress passed a legislation named Higher Education Act that started granting low interest loans for lower income families.

Since 1970s, tuition costs have increased by 400% in comparison to other living expenses. Altogether with soaring percentages of population attending colleges and universities, government programs can only cover about a third of the expenses. On the top of that, democratic President Bill Clinton signed a bill, known as Hope tax credit (1997), calling for an increase in the government financial help for the first two years of higher secondary education. Outcomes of that initiative are discussed in this paper.

Beside the tuition fees history at U.S. colleges and universities, this thesis analyzes their impact on several groups of young people. The first one is the one of disadvantaged families, mainly from different ethnic background than Whites and Asians. The text also recognizes the importance of foreign students’ presence at American colleges and universities.

The third chapter touches on the tuition impact of some Czech students as well. While seeking a quality education abroad, they need to obtain useful information about possibilities of studying in the U.S. However, their view on the costs of such move shall be broaden due to a totally different system that exists across the Atlantic Ocean.

Lastly, there is also mentioned its socio-economical impact on the society as whole. It describes a very thin balance between quality, costs, and accessibility of colleges and universities which contributes to an overall climate helping in creation of positive and effective modern society.

# 1. Current state of college and university education in the U.S.

## 1.1. The importance of college and university education

Today's highly competitive global economy demands skilled workforce in order to keep up with new inventions and technologies. Nowadays, top level education is not offered only by developed countries – rising global powers such as China, India and other, mainly southeast Asian countries are raising their own population's living standard through spending more on education, thus increasing the society's labor productivity and economic competitiveness, also known as human capital. According to Topuniversities.com's ranking (2019), the best Asian universities are found in Singapore, Hong Kong, China, South Korea, Taiwan and Japan.

However, the U.S. and the U.K. still hold a lead in housing the best universities and colleges in the world. In order to do so, the price of education at those institutions is relatively high, enabling only the most fortunate to attend.

Most U.S. citizens are aware of the fact that more education generates more income in the future. Marvin H. Kosters, a resident scholar and the director of economic policy who works at the American Enterprise Institute, claims that wages of workers with only high school credentials or less decrease in comparison with those with a college degree. (p.1)

Kosters served as a senior economist at President's Council of Economic Advisers and at the White House Office of the Assistant to the President for Economic Affairs.

Kosters also held a senior policy position at the U.S. Cost of Living Council and a research position at the RAND Corporation. He stresses the contribution of education by the following statement:

> *The rising education level of the work force has contributed importantly to the growth of productivity and real incomes in the United States, and upgraded schooling levels have been one of the most important ways in which successive generations achieved higher living standards than their parents (p.1)*

## 1.2. Current college costs in the U.S.

The U.S. post high school education, sometimes called higher education or a college one is divided according to its aim, and mostly to its costs. There are state colleges and community colleges that are subsidized by each state regarding the state legislators.

The first ones offer top education and are often compared to their private competitors.

The community colleges offer individual courses, some credit subjects and other local needs of their constituents. The subject's credit fees are much lower; therefore, many students choose to collect credits there while saving a year or two of the state colleges.

Then there exist private colleges and universities with various reputation, some very prestigious while the other of much lower public resonance. The fees at these institutions vary mostly in accordance to their quality and outcomes in the real world of work and business.

According to a data research carried out by College Board and published at the Top Universities website, the average yearly tuition fees for private non-profit four-year colleges reach nearly thirty-five thousand dollars. In addition, one should not forget the room and board costs, which might bring the burden up to $45.000 – $50.000. Here, of course, are not present costs of the top universities. Therefore, most U.S. students are singled out from studying at those places.

As an option, most students apply for their own state's colleges where the academic year costs approximately $10.000, fees only.

(See Table 1) by Caroline M. Hoxby (published in Koster's Financing College Tuition, 1999) showing the spending on post high school education in the U.S. in the fiscal year 1998.

The U.S. resident system awards those who live and study within their state or county by keeping them in a lower tuition bracket while charging much more any other ones – non-residents. That is due to the taxation system which is based on local taxes being distributed among local authorities, schools and services.

Kosters (1999) also highlights another important component of the cost of college: its proximity. Students find an advantage in staying home while studying; there is no need to pay for room and board, while transportation costs may also lower significantly. Hence, there is a large support for two- or four-year college in the county of residence. Not surprisingly, college proximity favors black and Hispanic college entry. Hispanics and blacks have a 92 and 89 percent proximity rate, respectively, while whites face a rate of 82 percent, which by any measure is still high. (p.121)

### 1.3. The ethnic diversity of U.S. colleges and universities

Due to an initial inequality presence in the U.S. schooling system, the government has set up rules and programs for a larger benefit to those, especially African Americans, who mostly lack college education.

Kosters (1999) explains how the gap of racial and ethnic groups in college attendance can be traced by the gap in high school completion and highlights the importance of the role of family in shaping the performance of children:

> *In addition, a feedback process may operate. Children who grow up in inferior environments may expect less of themselves and may not fully develop their academic potential because they see little hope for ever being able to complete college or use their schooling in any effective way. There is also the element of uncertainty. People from disadvantaged environments where no one has previously gone to college will face greater uncertainty about their prospects for success and the steps needed to achieve it. (p.86)*

NCSL[1] (2014) defines the term Affirmative Action as an outcome of the 1960s Civil Rights Movement that was "intended to provide equal opportunities for members of minority groups and women in education and employment."

1 - The National Conference of State Legislatures (NCSL) is a bipartisan non-governmental organization (NGO) established in 1975 to serve the members and staff of state legislatures of the United States (states, commonwealths, and territories) http://www.ncsl.org/aboutus.aspx

The term 'Affirmative Action' was first used by President J.F. Kennedy as a direct Executive Order directing government contractors to hire and treat any applicant or worker the same, regardless of their race, creed, color, or national origin. Situation in education was, however, slightly different. The Supreme Court's Brown v. Board of Education decision in 1954 outlawed school segregation and the Civil Rights Act 1964 improved life prospects for African Americans. In 1965, however, only five percent of undergraduate students, one percent of law students, and two percent of medical students in the country were African American. (NCSL website)

Despite some initial skepticism, the following decades proved that approach right. The rate of overall educational achievement mainly among Blacks and Latino groups rose significantly in the late 1970s and the whole decade of 1990s, as the (Table 2) shows.

Nevertheless, progress stopped and then even declined in the 1990s and especially in 2000s. Some argue that Affirmative Action had become overdue or had been illegal and unjust from the start.

'The Case Against Affirmative Action' published by David Sacks and Peter Thiel in Stanford (1996) says that after 25 years of no success in ending discrimination through Affirmative Action, perhaps it is time to try something else. They point out that rather than fostering harmony and integration, preferences have divided the campus.

In addition, they share the Hoover Institution Thomas Sowell’s observation that preferences primarily benefit minority applicants from middle- and upper-class backgrounds. Therefore, according to their findings, the most seriously struck poor White and Asian students have been discriminated on the base of their ethnicity, which unveils the inconvenient truth about such a policy.

Another critic of government intervention into school admission system has been Charles Murray with his 1994 book *The Bell Curve*. Eric Siegel (2017) says about Murray's work that "attempts to fully discredit his work have failed for more than two decades now," and repeats Murray's reporting on racial differences in IQ score suggesting that Black people in the U.S. score lower on average than white people. Even though this is not the book's primary focus, these findings had sparked a heated discussion as progressives do not want to hear such a thing. Murray silenced his opponents with a simple fact: "It's in the data."

## 2. History of educational costs

### 1.4. Early stages

Throughout the history of the U.S., fees for post high school education have always been in place. Carol Benenson Perloff from University of Philadelphia describes the early state of Medical education in U.S. As he claims, "by the mid-1700s medical students and physicians with means could supplement their medical education abroad in Europe, particularly Edinburgh or London, attending universities, independent anatomy schools and/or private lecturers." The same source unveils the fact that 17th and 18th century medical students were paying directly for their education in an exchange of 'Tickets' that enabled them to practice their profession. No diplomas were being issued at those times.

Later on, the 19th century brought to light many smaller colleges that helped to educate a relatively large number of mainly young men who were needed either for local administration or the expanding industry. According to Perloff, traditional universities in the East were not preparing their students for business but rather forming them to become elites.

A statement from the article 'History of College Tuition' illustrates the mainstream of college and university students' ability to pay for their education:

> *The middle-class was booming and so were their numbers in colleges and universities. There was no government aid to speak of, so who paid for college in this time period?*
> *Summer Jobs: Savings from work in resort town hotels or farms paid for classes during the academic year.*
> *Day Work: Men worked in the day to pay for classes at night. Women did part-time domestic work.*
> *Parents: Fathers ensured that their sons and sometimes daughters had their educations paid for.*
> *Inheritances: Wills stipulated paid educations for grandchildren.*
> *Employers: Business owners paid for schooling in exchange for contracted hires of students upon graduation.*

In 19th century, fees were much lower compared to today, however, not many lower income families were able to pay for much higher additional costs such a room and board.

The website bestcollegesonline.com commented on college fees in 19th century as following: 1870: Tuition at Harvard was a mere $150 per year. For half that, just $75, students could attend Brown University for a year. While a pittance today, this was still a fair amount of money at the time (about $3,000 in today's dollars), and many lower-class families would never be able to afford college without scholarship support.

### 1.5. The first half of 20th century

In Redesigning the Financial Aid System (2002), Robert B. Archibald claims that as a result of improvements in terms of conditions for colleges and universities after World War I, the enrollment rates rose significantly. Due to the earlier expansion of high school education, people started thinking, most of them for the first time, about college education. Their previous picture of colleges and universities as a place for the rich only had changed. College education began to show its importance in economic and social mobility, leading most colleges and universities to increase prices. Low income families and their children were affected by this even more than before.

Nevertheless, despite these tuition elevations, more and more citizens started their lives by signing up for the above stated institutions. In numbers, the increase was of 84 percent, from nearly 600.000 to 1.100.000 students. This was mainly the result of the growth of State-supported institutions charging low tuition and offering community college education particularly in densely populated areas. (p.26)

Archibald's work (2002) shows that poor students were left with only one option when seeking college education: enrolling in lower and/or State-financed institutions.

The (Table 3) shows real spending per student for the most of 20th century with a significant increase starting in 1930s and 1940s. Kosters (1999)

According to Archibald (2002), the number of students and institutions rose even during the Great Depression, mainly due to the advantage of government support. As part of the New Deal, the government began funding a work-study program created by Federal Emergency Relief Administration, which was later, in June 1935, transferred to the NYA[2]. As many other programs, NYA was created to promote more social mobility and to enable young people, struck by enormous unemployment and the lack of opportunity at the job market, obtain new skills.

However, President Roosevelt was not in favor of aiding citizens to reach their college or university dreams. According to Blum (1965), Roosevelt explicitly said to the Treasury Secretary Henry Morgenthau that "just because a boy wants to go to a college is no reason we should finance it." (p.42)

In the aftermath of World War II, the government established another program in the field of education, this time for the veterans of the just ended global conflict. The official name was The Servicemen's Readjustment Act of 1944, shortly called the GI Bill. It provided veterans with free tuition, books, and living expenses for one full year plus one month of the same as a reward for each month served in the Army. Most former soldiers were able to study under this program for three years, which gave them enough time to obtain their bachelor's degrees. As Archibald (2002) points out that that program is not considered as the beginning of federal financial aid even though soldiers of Korean and Vietnam conflicts were covered by it as well.

## 2.3. The great expansion in the 1960s – 1980s

The 1950s brought the first movement toward scholarship programs among 155 mainly private colleges and universities. Their College Entrance Examination Board formed the College Scholarship Service (CSS) in 1954. The service examined data from students and parents in order to determine a formula for needs of potential students regardless of their economic situation. Their goal was driven by a motto of meeting needs and rewarding talents.

2 – NYA was a National Youth Administration: President Roosevelt created the National Youth Administration (NYA) on June 26, 1935 with Executive Order No. 7086, under authority of the Emergency Relief Appropriation Act of 1935. https://livingnewdeal.org/glossary/national-youth-administration-nya-1935/

The government was lagging behind until a Cold War incident sparked an unusual move. Archibald (2002) explains that "the launch of Sputnik[3] by the Soviet Union in 1957 raised the fear that Americans were falling behind in science and engineering education." Congress responded with the National Defense Education Act of 1958, which created the National Defense Student Loan Program (now called Perkins Loans). Although it was relatively small, the program represented the first generally available student aid program. (p.33)

Archibald also addresses one of the most important factors in college education in history – the years 1964 and 1965. After the landslide election victory of President Lyndon B. Johnson and his Democratic party, locking a substantial congressional majority, agenda of equal opportunity was placed at the center of their priorities. Congress passed the Equal Opportunity Act in 1964 as a start of the War on Poverty, further specified in 1965 by passages of Voting Rights Act, Medicare Authorization, Elementary and Secondary Education Act together with the Higher Education Act. (p.33)

Gladieux in his 'Federal Student Aid Policy' (1995) reveals more details to that legislation:

> *Title IV of the HEA4 embodied the first explicit federal commitment to equalizing college opportunities for needy students. This goal was to be advanced through need-tested grants and through student support programs such as Upward Bound (initially part of the war on poverty legislation of 1964) and Talent Search, designed to identify and foster access for college-able students who were poor. Colleges wishing to receive an allocation of funds under the new Educational Opportunity Grants program were required to make "vigorous" efforts to identify and recruit students with "exceptional financial need." Title IV of the law also included College Work-Study (another program first ushered in as part of the War on Poverty) to subsidize employment of needy students, and the Guaranteed Student Loan (GSL) program to ease the cash-flow problems of middle-income college students and their families.*

3 – On October 4, 1957, the Soviet Union launched the Earth’s first artificial satellite, Sputnik-1. The successful launch came as a shock to experts and citizens in the United States, who had hoped that the United States would accomplish this scientific advancement first. https://history.state.gov/milestones/1953-1960/sputnik

Since then, the program has been modified, extended by both political parties in power, and has survived until these days. Gladieux (1995) lists stages of progress and amendments to the basic law from 1965: "Congress also expanded the types of assistance available to students. The Nixon Administration had proposed Basic Educational Opportunity Grants to replace three existing federal student aid programs administered through the colleges: Educational Opportunity Grants, National Defense Student Loans, and Work-Study. Congress refused to repeal the campus-based programs, however, did adopt Basic Grants (now called Pell Grants)."

The 1980s were a period of pressure to expand financial aid for the middle class. After a legislative expansion under President Jimmy Carter, the new Ronald Reagan's administration cut down many domestic social programs including some provisions of HEA[4]. Gladieux (1995) also mentions the mounting pressure to trim federal aid from the Republican-controlled Congress led by Reagan's administration:

> *In the mid-1980s, in the face of continued Reagan Administration threats to the programs, congressional advocates of student aid adopted a damage control strategy. A reauthorization that was basically status quo was the result. Legislators voiced concern about the increasing reliance of students on loans, but they came up with no effective remedies to combat this trend as tuition at both public and private institutions spiraled well ahead of inflation. Federal borrowing ceilings were increased.*

The last of Gladieux's observations mentioned in his work dates to the beginning of 1990s when President Bill Clinton took the office in 1993. Clinton promised an overhaul of the whole system, criticizing defaults, excessive bank fees, high government costs and overall lack of effectiveness in making college affordable.

4 – The Higher Education Act of 1965 (HEA) was legislation signed into United States law on November 8, 1965, as part of President Lyndon Johnson's Great Society domestic agenda. The law was intended "to strengthen the educational resources of our colleges and universities and to provide financial assistance for students in postsecondary and higher education". https://en.wikipedia.org/wiki/Higher_Education_Act_of_1965

In his Phase I agenda, he called for converting about 60 per cent of guaranteed student loans to direct loans (a loan made directly from a lender to a borrower, rather than through a third part). In a five-year period. Clinton also wanted to praise community service by awarding its participants benefits and/or future reimbursements on college or university loans.

As for the Phase II agenda, the Clinton Administration sought to project a longer-range student aid reform. That never materialized due to congressional election in 1994 with a new congressional majority of Republicans taking over the legislative process. They refused more of Clinton's ideas regarding college education aid programs, leaving the situation unchanged, same as it was in the 1980s.

## 2.4. The last two decades

The past two decades have not been any different than the preceding ones. Emmie Martin, an editor from CNBC business channel lays out data about an increase of college education costs. Her article 'Here's how much more expensive it is for you to go to college than it was for your parents' (2017) compares college and university tuition fees since the 1940s. She points out the fact that students at public four-year institutions paid an average of $3,190 in tuition for the 1987-1988 school year, with prices adjusted to reflect 2017 dollars. Thirty years later, that average has risen to $9,970 for the 2017-2018 school year. That's a 213 percent increase. Private schools were not much behind as she explains: "The difference is stark at private schools as well. In 1988, the average tuition for a private nonprofit four-year institution was $15,160, in 2017 dollars. For the 2017-2018 school year, it's $34,740, a 129 percent increase."

The following numbers are the breakdown of her findings:

*Private nonprofit four-year institution:*
- *Tuition for 1987-1988: $15,160*
- *Tuition for 1997-1998: $21,020*
- *Tuition for 2007-2008: $27,520*
- *Tuition for 2017-2018: $34,740*

*Public four-year institution:*
- *Tuition for 1987-1988: $3,190*
- *Tuition for 1997-1998: $4,740*

*Tuition for 2007-2008: $7,280*

*Tuition for 2017-2018: $9,970*

In total numbers, “in a case the hypothetical child would pay the tuition bill themselves, the rising cost of college education would lead Americans to struggle with a collective $1.4 trillion in student loan debt," Martin (2017) claims. Data from 2012 show that seventy-one per cent of graduates from four-year public colleges owe an average of $25,550, while those with degrees from private colleges owe an average of $32,300. Camilo Maldonado, a co-founder of The Finance Twins, contributes to Forbes' personal finance section by sharing a table showing proportions of non-housing debts in the U.S. (see table 4)

In Maldonado's words (2019), "cost to attend a university increased nearly 8 times faster than wages did." Yet, he states that the price of going to college has been increasing since the 1980s. He follows data from the National Center for Education Statistics which counts the average cost per year for the 2015-2016 academic year - just over $19,000 for a public four-year university. On the top of that, the figure jumps to nearly $40,000 for a private university. All the above include tuition, fees, room and board. He sums up his overall findings as follows:

*The average for all four-year institutions comes out to $26,120 per year. This brings the total cost of attendance to an astronomical total of $104,480 over four years. The comparable cost for the same four-year degree in 1989 was $26,902 ($52,892 adjusted for inflation). This means that between the academic years ending in 1989 and 2016, the cost for a four-year degree doubled, even after inflation. Over that period, the average annual growth rate for the cost to attend a four-year university was 2.6% per year. At face value, 2.6% growth doesn't seem too awful.*

Another increase, even larger than for the U.S. students, occurred in relation to foreign students. National Postsecondary Student Aid Study’s data suggest that in comparison with the 1990s, college-related fees went up by staggering 42 percent.

(See Table 5)

President Clinton began his second term in office with a modification of the previous Pell grants by proposing an overhaul named The Hope Credit during his 1997 State of the Union address. (Kane and Rouse 1995, p.44)

Pell grants, created in 1972, were means-based tuition subsidies for poor college students. Kane and Rouse (1995) express the main idea of that proposal: "Clinton's initial vision of the Hope credit suggested that the thirteenth and fourteenth years of school could be made 'universal' because the credit would make community college free or nearly free." However, the first problem arose precisely because of that vision. According to the same source, empirical evidence suggests that community colleges are successful and cheap providers of remedial secondary school education and that a year of community college education earns a rate of return roughly equal to the rate of return earned on a year of baccalaureate education. (Kane and Rouse 1995, p.47)

Another problem seemed to stem from the fact that if the thirteenth and fourteenth years of education were to become 'nearly free and universal', they would stop serving as an effective signal of job readiness, skills, and motivation. The financial part of Clinton's proposal included tax deductions for interests paid on student loans which unfortunately discouraged many parents from college savings and created a spike in college loan applications. (p.55)

## 3. The impact of rising college education costs on the U.S. society and the international students as well

As a result of the ever-growing college and university costs, the society as a whole becomes affected by the burden.

Among the groups that are affected the most are minority students, especially Black and Latino students, who have been struggling with their admissions ever since. Their lack of economical means, college tradition, and ongoing racism have been the most critical factors in their low participation in college education process.

However, it is not only these young individuals who have been on the downside of obtaining a college or university degree: many Whites and Asians have been struggling with some of these issues as well.

The last, but not the least are foreign students seeking quality start of their lives at U.S. colleges and universities. Recently, they have been hurt the most by rising costs in the U.S. educational system.

The economic burden has been mentioned throughout this paper, nevertheless, it is worth mentioning once more. Educational costs are taking away a large portion of incomes from adults who have finished their Higher secondary education due to their debts on student loans.

As some experts say, better education means higher future earnings. However, in the light of recent calculations, it seems to fall far from the truth. The (Table 6) shows a great disparity between tuition increases and incomes, even in the top families.

One more aspect to be explained in this work is the impact of very good college education outcomes in the U.S. as compared to K-12 schools of the same country. It rises questions of whether tuition fees are not rather a positive aspect in the educational process.

### 3.1. Minorities

American society owes a great deal of compassion to their long-forgotten minorities and the underprivileged. Due to slavery and other oppressive dark sides of the U.S. history, many African Americans and Native Americans have been struggling to get their fair share of prosperity. Not only them alone have suffered from socio-economic barriers barring them from pursuing college education. Recent decades have shown that many Latino students have been falling behind as well.

Allen and Wolniak[5] (2018) say in their article 'When university tuition fees go up, diversity goes down': "We examined tuition fee hikes at public four-year colleges and universities over a 14-year period.

5- Drew Allen is executive director, Initiative for Data Exploration and Analytics for Higher Education, Princeton University, United States. Gregory C Wolniak is director of the Center for Research on Higher Education Outcomes and associate clinical professor of higher education, New York University, United States. https://www.universityworldnews.com/post.php?story=20180518115517271

We wanted to see if tuition fee increases at public colleges and universities changed the racial and ethnic makeup of students on campus. What we found is that for every US$1,000 increase in tuition fees at four-year non-selective public universities, diversity among full-time students decreased by 4.5%. In other words, as tuition fees go up, diversity goes down."

They argue that as colleges' and universities' landscape has been rapidly changing for all students, it was also changing in terms of the overall composition of their students. Allen and Wolniak point to the fact that at non-selective four-year colleges, the fees go up together with a lesser chance of attending college for racially and ethnically different students, which leads to a less rich academic experience as a result.

In her article 'Graduation Rates and Race', published in New York Times, Emily Tate presents results of a new report:

"On average, white and Asian students earn a college-level credential at a rate about 20 percentage points higher than Hispanic and black students do."

(See table 7)

Jeremy Ashkenas and Adam Pearce claim that even with Affirmative Action, Blacks and Hispanics are more underrepresented at top colleges than they were 35 years ago,

**3.2. Quality outcomes of K12 schools versus college ones in a comparison to other international institutions**

As U.S. college and universities have been ranking among the best in the world, there is an assumption that their elementary and high school education must be at the same level. However, when assessing it with real data and outcomes, that theory is far from the truth. The question is what reasons are hidden behind such unexpected results.

As U.S. college and universities have been ranking among the best in the world, there is an assumption that their elementary and high school education, known as K-12 education, must be at the same level.

K-12 schools are cumulative primary and secondary education process in Canada and America is known as K12 education. It is designed to prepare students for college, vocational school, and the modern workforce. To adequately contribute in modern economies, workers must be educated.

Kosters (1999) asks whether the most serious problems in education are at the postsecondary level. He presents evidence showing that problems are concentrated rather at the elementary and secondary levels. (p.5) He states the following:

> *College tuition costs have gone up sharply over the years, but it is important to keep these increases in perspective. Only a small proportion of college students go to the elite schools with very high tuition rates, and only a fraction of those who attend these schools pay the full price. Our elementary and secondary schools appear not to be working nearly as well. In fact, they have substantial problems, even though the policy focus and the federal concern are directed to higher education and not to elementary and secondary education. (p.9)*

As Kosters (1999) argues, the U.S. has done many improvements on the level of elementary and secondary schools, such as:

- *lowering pupil-to-teacher ratios,*
- *dramatically increasing the average experience of teachers,*
- *doubling the percentage of teachers who have master's degrees over the past quarter century,*
- *almost tripling real spending per student from 1960 to 1990.*

Unfortunately, none of these efforts have materialized into any concrete improvement in outcomes on the students' side. Kosters (1999) observes that "the United States has not been doing particularly well in international comparisons." (p.15)

Kosters's findings are included in his summary concerning comparison of lower and higher schooling systems:

> *The situation with higher education is very different. U.S. higher education is arguably the best in the world. Admittedly, data about higher education are not nearly as good as what we have for elementary and secondary education. It is particularly hard to document quality because we do not have good objective measures. What we do know is:*
> *• U.S. business and industry are willing now to pay a lot more for college graduates than in the past, both in relative terms and in absolute terms.*
> *• Foreign students like to come to U.S. higher educational institutions, whereas none of them want to come to U.S. elementary and secondary schools.*
> *• Employers seem to be a lot better pleased with higher education than they are with elementary and secondary education. (p.17)*

The (Table 9) shows the percentage of high school and college completion of students under 25 and over 25 years of age

In Financing College Tuition: Government Policies and Educational Priorities, Kosters (1999) claims that most students choose their school not only for the school they want but more likely for the educational outcome if they must pay for it. It makes them realize the importance of education. He explains:

> *American higher education is much more productive than is K-12 education – that is, it creates more learning for each dollar expended. It is difficult to measure schools' productivity, but two telling pieces of evidence suggest that colleges are more productive than are K-12 schools. In addition, American K-12 schools are poor competitors internationally. They have the highest per-pupil costs among the highly industrialized nations, yet the performance of American K-12 students in this group of countries is middling. (p.42)*

Kevin Carey's article 'Americans Think We Have the World’s Best Colleges. We Don’t.' published in New York Times has shown the real picture of 15-year-old young Americans attending K-12 school system:

*The standard negative view of American K-12 schools has been highly influenced by international comparisons. The Organization for Economic Cooperation and Development, for example, periodically administers an exam called PISA to 15-year-olds in 69 countries. While results vary somewhat depending on the subject and grade level, America never looks very good. The same is true of other international tests. In PISA's math test, the United States battles it out for last place among developed countries, along with Hungary and Lithuania.*

Needless to say, the same article stresses one important factor, namely that this international study has taken the average student, while most of the best students and universities are still from the U.S.

### 3.3. The overall economic burden for domestic and foreign students

Danielle DiMartino-Booth6 (2018) in a Bloomberg article describes an over-growing problem connected with rising college fees: "millions of millennials have already put off settling down because of the rising costs of servicing college debts to the detriment of economic growth." The same report reveals more worrisome details:

*From 2007 through 2017, the CPI rose by 21 percent. Over that same period, college tuition costs jumped 63 percent, school housing surged 51 percent and the price of textbooks by 88 percent. These troubling growth rates wipe away any mystery behind today's staggering levels of student loan debt, which have almost tripled from the 2007 starting point of $545 billion. As of the fourth quarter, student loans represented 10.5 percent of a record $13.1 trillion in U.S. household debt, up from 3.3 percent at the start of 2003.*

DiMartino-Booth[6] (2018) also leads to findings of Bloom Economic Research which point to an enormous 176 per cent increase in the decade preceding year 2017.

6 - Danielle DiMartino Booth, a former adviser to the president of the Dallas Fed, is the author of "Fed Up: An Insider's Take on Why the Federal Reserve Is Bad for America," and founder of Quill Intelligence. From:https://www.bloomberg.com/opinion/authors/ATF5r90MXKw/danielle-dimartino-booth

Due to the housing crisis following the 2008 financial collapse, many families which had chosen to take out home equities in order to finance their children's pricier college education, got blocked from this revenue. Therefore, the only aspect which had remained was the never-ending inflation spiral of tuition fees and costs partly fueled by the equity phenomena.

The (Table 10) clearly illustrates the given issue

Most of U.S. citizens have been asking themselves whether colleges and universities are even worth going anymore. However, the former President Obama had a counter-intuitive insight into that problem. Matthew Lynch (2016) reminds us of The Obama Administration's College Scorecard[7] which helps prospective students and their parents access a database of school comparison enabling them to choose the right one for them, while knowing an approximate financial prospect of jobs after graduating.

David Thorpe (2015) includes more details on the danger fueled by uncontrolled rise of tuition fees in 'The economic consequences of tuition fees', where he presents his detailed view of how serious the problem really is. Although he speaks about the U.K. problems, his ideas seem to be universal. Thorpe agrees that when the economy recovery starts to gain, both public and market figures are not being followed by enough of wage growth and the level of capital investment together with a lack of productivity. According to him, "some of those metrics, notably wages, have shown improvement more recently, whilst demographic changes and the impact of quantitative easing on asset prices carry much of the blame for some of the other structural ills that have haunted this economic recovery."

Jon Marcus' and Holly K. Hacker's 'The Hechinger Report' also speaks about a very worrisome effect of rising tuition fees: "America's colleges and universities are quietly shifting the burden of their big tuition increases onto low-income students, while many higher-income families are seeing their college costs rise more slowly, or even fall, an analysis of federal data shows."

7 - The College Scorecard is designed to increase transparency, putting the power in the hands of the public — from those choosing colleges to those improving college quality — to see how well different schools are serving their students. From: https://collegescorecard.ed.gov/data/

They quote Deborah Santiago, a co-founder and vice president of Excelencia in Education[8], who argues that recent increase in college costs hurt mostly poor families while widening the overall achievement gap among students.

Marcus and Hacker (2014) mention that that trend runs contrary to the Obama administration push to make a college degree more affordable for low-income students.

### 3.4. The impact of costs on foreign student's admission

As Kosters (1999) observes, U.S. college education is very attractive to foreigners,

even foreigners from other G-7 countries. (p.41) However we look at that fact, U.S. has always been an attractive place for young individuals thanks to its quality universities.

Kong (2018) has already been mentioned, saying that foreign students pay much more than Americans. This gets even more visual after revealing new admissions by the same group of students:

> *This dramatic spike in fees is starting to have an impact. Gone are the days of explosive growth in foreign students. New international enrollment at US institutions has declined for the second year in a row, according to the Institute of International Education. In 2017, only 109,000 international students enrolled as first-time undergraduates, a decline of 7,000 (six percent) from the previous year.*

Kong (2018) finds that institutions on the coast and large research institutions are seeing growth in enrollment, however those in central and southern regions see much of a decline. The less well-known schools are experiencing much sharper declines. He explains that foreign applicants are not willing to pay high prices for U.S. education unless there is a guarantee of a return on their investment; that is obviously an advantage of well-known top universities.

8 - Excelencia in Education is a trusted information source on the status of Latino educational achievement, a major resource for influencing policy at the institutional, state, and national levels, and a widely recognized advocate for expanding evidence-based practices to accelerate Latino student success in higher education. Excelencia's network of results-oriented educators and policymakers are bringing these solutions into action to address the U.S. economy's need for a highly educated workforce and for civic leadership.

His findings are supported by data showing that "countries like Canada and Australia are offering themselves up as friendlier, more affordable alternatives. The average tuition fees for 2017 was CA$25,180 (US$19,052) per year at Canadian universities and AU$29,235 (US$21,046) at Australian universities, markedly lower than American institutions by several thousand US dollars." Kong (2018) stresses an ugly truth concerning a decrease of international students at U.S. colleges and universities:

> *But other implications are on the horizon. Along with unfriendly visa and post-study work policies, we could be seeing only applicants from the highest income brackets applying to US universities. Unlike their domestic counterparts, international students have access to a significantly smaller pool of financial aid. This could spell a US higher education environment with poor diversity, perpetuating inequality further as they graduate into the market. In some second-tier institutions, major budget cuts are underway to adjust to this new reality, with professors and entire departments being laid off.*

These facts also mean that poorer students may leave U.S. universities entirely for institutions elsewhere. Not only developed countries have been improving their universities; Asian, Chinese and Singapore universities in particular, have been rising in quality with a considerably lower price tag.

The (Table 11) supports the above-mentioned data.

To weigh prospects for studying abroad, mainly in the U.S., I would still recommend it. However, today's competitive world has begun offering more possibilities on the top of the great U.S. higher secondary education.

### 3.5. The late debate and different states' approaches

As the whole U.S. society has been divided when it comes to question as health care, foreign policy, domestic issues and immigration, the rising tuition fees are pictured as a negative aspect for most Americans. There are still some citizens, as well as experts saying that education paid equals education earned and deserved. However, a very large percentage of even middle-class and upper-class families have been struggling to keep up with the increasing costs of their children's education. The 50-year-old system of government grants and subsidies is long overdue and ineffective in some areas. Minorities have nearly reached their potential while new needed groups have already taken their place. These days raise the following questions: "Should government help more in order to help needed families to send their loved young ones to much sought schools or does this help only spike the costs of education? Is such a help the right motivation in the beginning of young adults' lives? Is the college education really that important as it has been proclaimed?"

Answers to these questions need to be found by the society as a whole, leaving it up to a debate. Of course, there have been voices calling for more regulation and government oversight, however, Washington policymakers are reluctant to step into such area.

Thus, the development of new federal programs that ease the financial burden on college students and their families will undoubtedly lead some states to consider altering their current subsidies to public colleges and universities. Indeed, in order for public school students in some states to get the full federal subsidy, tuitions must be raised. (p.20)

There has, however, been some discussion of whether college tuitions have risen "too rapidly," and of whether this set of policies might encourage further tuition increases. With this idea in mind, some of the fiscally minded policy makers in Washington have begun openly questioning the possibility of regulating tuition at colleges and universities. (Kosters, 1999, p.20)

The government is cautious when it comes to emphasizing institutional aid in college education. Kosters (1999) cites some official ideas: "An important element to this discussion, nonetheless, is consideration of what the federal government's role should be. Even though education is primarily the responsibility of states and localities, the federal government has some strong and obvious roles." (p.23)

One of the ideas came with implementing a voucher system but has been removed from any serious discussion for being labeled as Communist tool trying to deal with undesirable aspects of capitalism. (p.24)

Therefore, only future will tell us whether the current system will fix itself or more government interventions are needed in order to stimulate it.

# Conclusion

In order to sum up goals and outcomes of this thesis, given topics must be reviewed.

Nothing can be changed about the history, therefore the main overview of basic historical data was introduced and briefly analyzed. As stated above, until The Great Depression the U.S. government had not stepped into the educational system, especially to its post high school phase.

That had changed in the 1930s and beyond due to the economic crisis and then for various reasons during and after the World War II. Nevertheless, the main expansion began with the social movements in the 1960s when ethnic minorities were included in the educational process.

Then the thesis discussed following decades and the pursuit to overall balance in the college education. Affirmative action, federal government and state subsidies, and special tax codes were introduced in order to tackle rising costs and imbalance in such education.

Later chapters touched on recent steep rises increases of college education in the U.S. and some changes in its financing models. That included the most vulnerable group – the foreign students, and its impact on their admissions.

At its end, the thesis looked at the striking difference between the U.S. K-12 education in comparison to the college one in the same country. It tried to explain the reason from a point of view of opposite sides of the debate.

Finally, the work showed some attempts of the federal and state governments to help today’s young generation in their right start of their lives.

At last, however not the least, this paper pointed out its importance for my own Czech high school students who might need information about the U.S. college system of financing. Some of them have been seeking college education abroad, therefore they should be prepared for such a step.

**Printed sources:**

Marvin H. Kosters, (1999), Financing College Tuition: Government Policies and Educational Priorities. The AEI Press, Publisher for the American Enterprise Institute. WASHINGTON, D.C.

Robert B. Archibald (2002). Redesigning the Financial Aid System. The John's Hopkins University Press.

Kane and Rouse (1995). The Price of Admission: Rethinking How Americans Pay for College. Brookings Institution Press

Blum, Yehuda Z. (1965). Historic Titles in International Law. Springer Science + Business Media B.V.

**Electronic sources:**

Top Universities in Asia, retrieved on February 19, 2019 from https://www.topuniversities.com/university-rankings/asian-university-rankings/2018

National Conference of State Legislatures (February 2014). Affirmative action overview. Retrieved on March 5, 2019 from: http://www.ncsl.org/research/education/affirmative-action-overview.aspx

David Sacks and Peter Thiel (September 1996) The Case Against Affirmative Action. Retrieved on March 5, 2019 from: https://stanfordmag.org/contents/the-case-against-affirmative-action

Eric Siegel (April 12, 2017) Murray and "The Bell Curve": The 1994 book, now seeing an unfortunate resurgence, investigates racial differences in IQ—without being honest about the authors' motives Retrieved on March 5, 2019 from: https://blogs.scientificamerican.com/voices/the-real-problem-with-charles-murray-and-the-bell-curve/

Tickets to the Healing Arts: Medical Lecture Tickets of the 18th and 19th Centuries: Historical Narrative. Retrieved on March 10, 2019 from: https://archives.upenn.edu/exhibits/penn-history/medical-lecture-tickets/history

History of College Tuition. Retrieved on March 10, 2019 from: https://hubpages.com/money/History-of-College-Tuition-The-Cost-of-College-Tuition-In-the-Late-1800s

Lawrence E. Gladieux (1995). Federal Student Aid Policy: A History and an assessment. Retrieved on March 17, 2019 from://www2.ed.gov/offices/OPE/PPI/FinPostSecEd/ ladieux.html

Emmie Martin (November 19. 2017). Associate money editor, CNBC Make It. Retrieved on March 20, 2019 from: https://www.cnbc.com/2017/11/29/how-much-college-tuition-has-increased-from-1988-to-2018.html

Camilo Maldonado (2019). Price of College Increasing Almost 8 Times Faster Than Wages. Retrieved on March 26, 2019 from: https://www.forbes.com/sites/camilomaldonado/2018/07/24/price-of-college-increasing-almost-8-times-faster-than-wages/#3ef74c9f66c1

Leelian Kong (December 20, 2018). Charted: How international student fees at US universities are going up, up, up. Retrieved on March 26, 2019 from: https://www.studyinternational.com/news/charted-how-international-student-fees-at-us-universities-are-going-up-up-up/

Drew Allen and Gregory C, Wolniak (May 18, 2018). When university tuition fees go up, diversity goes down. Retrieved on March 28, 2019 from: https://www.universityworldnews.com/post.php?story=20180518115517271

Kevin Carey (June 28, 2014). Americans Think We Have the World's Best Colleges. We Don't. Retrieved on March 31, 2019 from: https://www.nytimes.com/2014/06/29/upshot/americans-think-we-have-the-worlds-best-colleges-we-don't.html

Danielle DiMartino-Booth (August 20, 2018). Student Loans Are Starting to Bite the Economy: Potential homeowners are being thwarted by the costs of paying off bills for higher education. Retrieved on March 31, 2019 from: https://www.bloomberg.com/opinion/articles/2018-08-20/student-loans-are-starting-to-bite-the-economy

Matthew Lynch (December 22, 2016). Will the Costs of College Cause an Economic Disaster? Retrieved on March 31, 2019 from: https://www.theedadvocate.org/will-the-costs-of-college-cause-an-economic-disaster/

David Thorpe (July 27, 2015). The economic consequences of tuition fees. Retrieved on March 31, 2019 from: https://www.libdemvoice.org/the-economic-consequences-of-tuition-fees-46932.html

Jon Marcus and Holly K. Hacker (March 9, 2014). The Hechinger Report: Colleges Are Quietly Shifting The Burden Of Tuition Increases To Poor Families. Retrieved on April 1, 2019 from: https://www.huffpost.com/entry/tuition-poor-families_n_4932128

A Timeline of College Tuition. Retrieved on May 27, 2019 from: bestcollegesonline.com

# Appendices

Table 1

Spending on post high school education in the U.S. in the fiscal year 1998.

CAROLINE M. HOXBY

TABLE 3–1
EDUCATION-RELATED APPROPRIATIONS AND TAX EXPENDITURES, FISCAL YEAR 1998
(in billions of dollars)

| | |
|---|---|
| School construction | 1.000 |
| Special education | 0.774 |
| Technology literacy challenge funds and technology innovation challenge grants | 0.264 |
| Disadvantaged students (Title I) | 0.181 |
| Bilingual education | 0.092 |
| Innovative education program strategies | 0.040 |
| Charter schools | 0.030 |
| Teacher professional development | 0.025 |
| Total K–12 appropriations and tax expenditures | 2.406 |
| Hope and lifelong learning tax credits | 5.600 |
| Pell grants | 0.932 |
| Education IRAs | 0.300 |
| Miscellaneous tax expenditures for higher education | 0.200 |
| Tax deduction of student loan interest | 0.100 |
| Other postsecondary financial aid | 0.023 |
| Total postsecondary appropriations and tax expenditures | 7.155 |

SOURCE: Author.

Source: Kosters (1999). Financing College Tuition. The AEI Press, Publisher for the American Enterprise Institute. WASHINGTON, D.C.

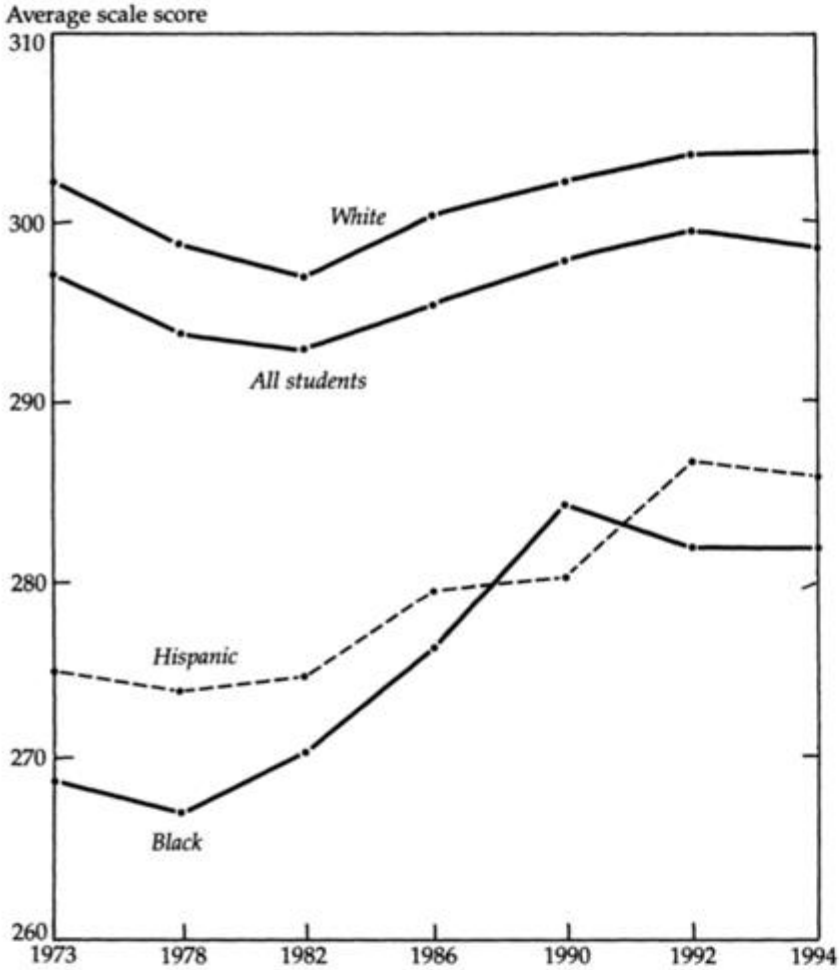
http://www.aei.org/wp-content/uploads/2014/07/-financing-college-tuition_103330705239.pdf

Table 2

The rate of overall educational achievement mainly among Blacks and Latino students

HUMAN CAPITAL

FIGURE 2–3
NAEP MATHEMATICS ACHIEVEMENT SCORE FOR SEVENTEEN-YEAR-OLDS, BY RACE OR ETHNICITY, 1973–1994




SOURCE: Author.

Source: Kosters (1999). Financing College Tuition. The AEI Press, Publisher for the American Enterprise Institute. WASHINGTON, D.C.

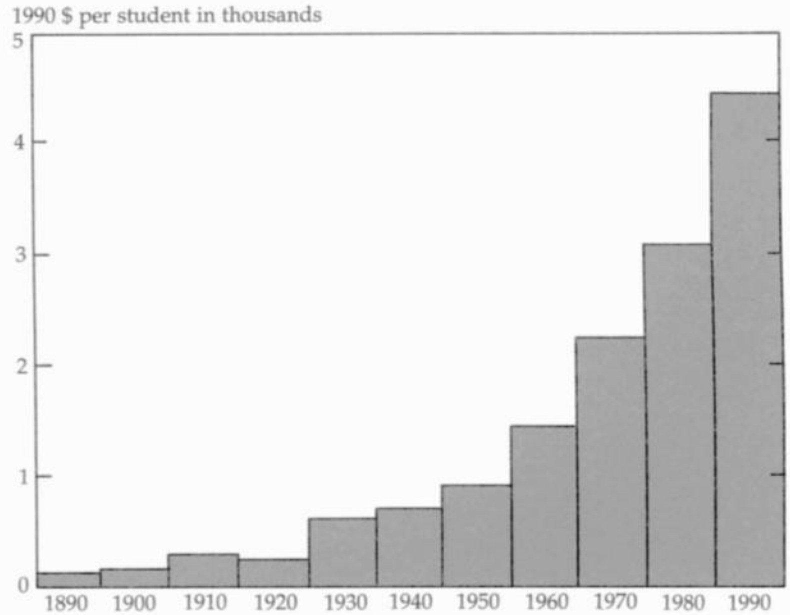
http://www.aei.org/wp-content/uploads/2014/07/-financing-college-tuition_103330705239.pdf

Table 3

Real spending per student for the most of 20th century with a significant increase starting in 1930s and 1940s.

ERIC A. HANUSHEK

FIGURE 2–1
REAL SPENDING PER STUDENT, 1890–1990



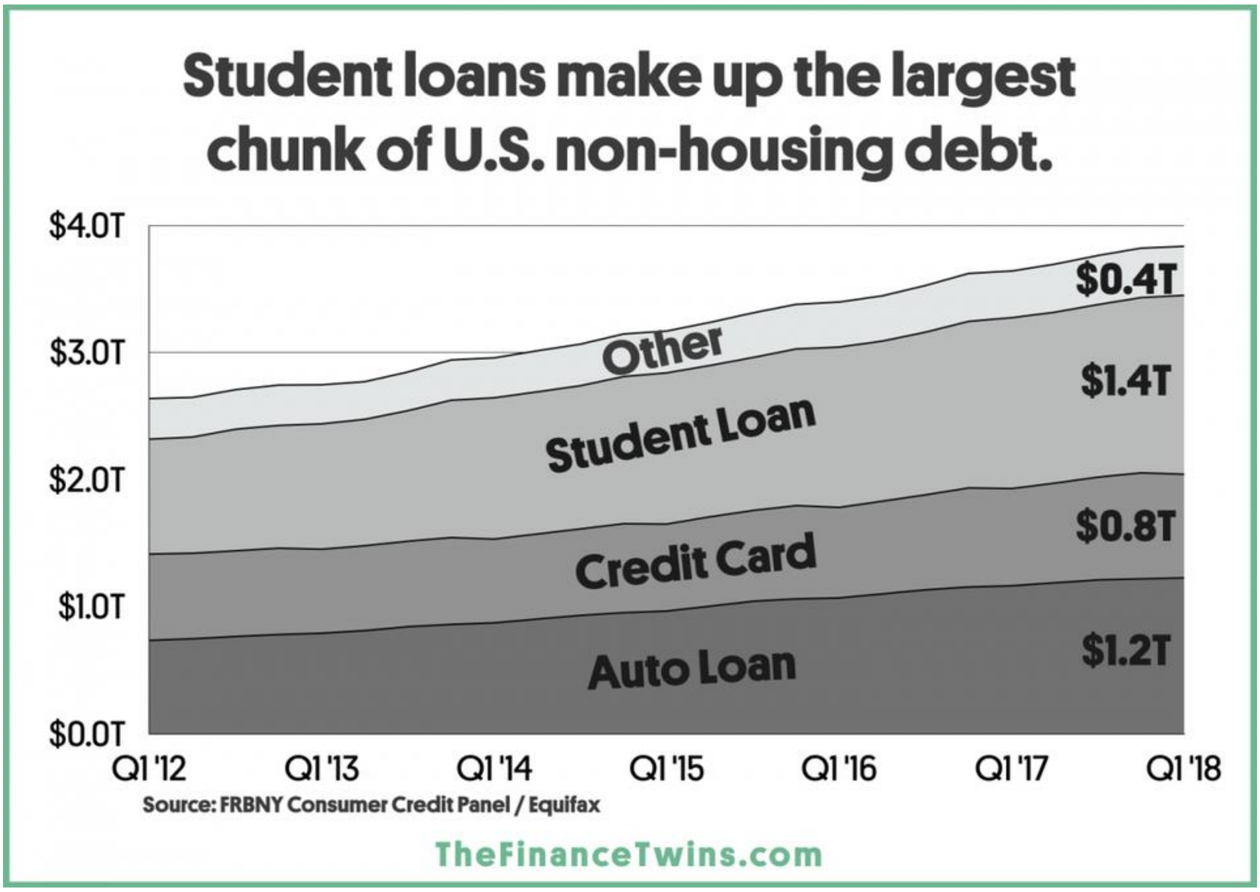

SOURCE: Author.

Source: Kosters (1999). Financing College Tuition. The AEI Press, Publisher for the American Enterprise Institute. WASHINGTON, D.C.

http://www.aei.org/wp-content/uploads/2014/07/-financing-college-tuition_103330705239.pdf

Table 4

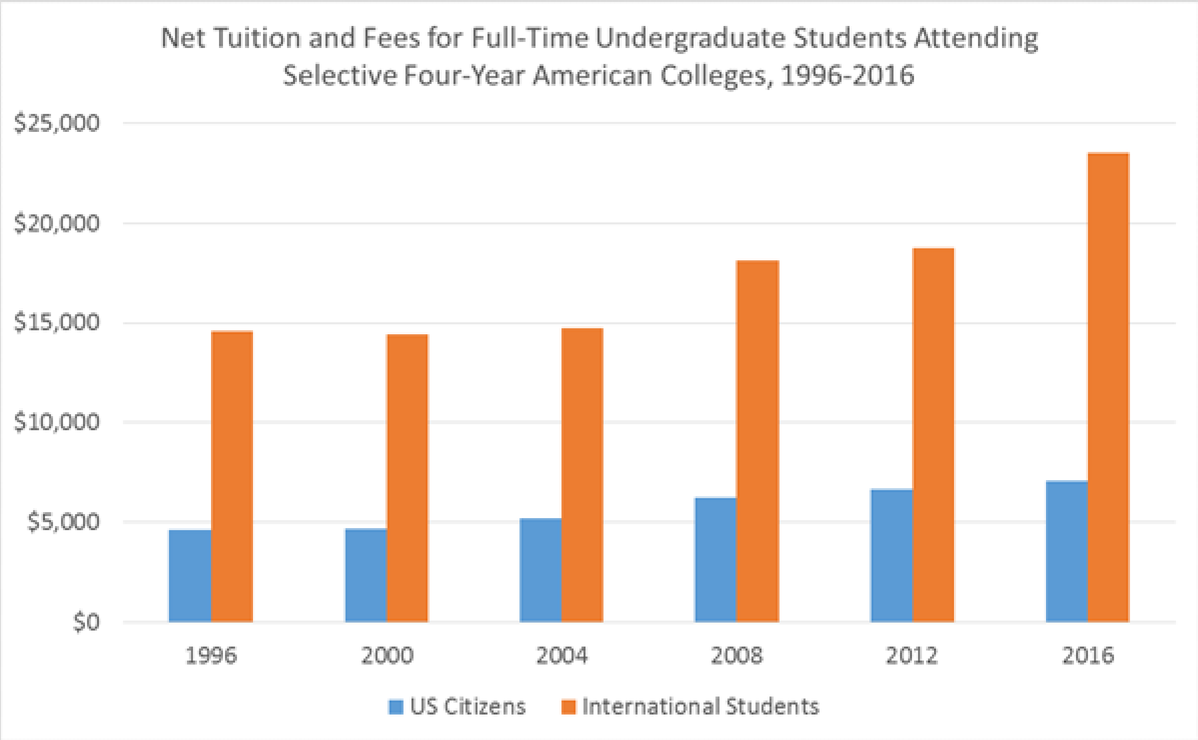
Student loans proportion in U.S. non-housing debt




Source: Student loans account for $1.4T of U.S. Household Debt – www.TheFinanceTwins.com

Table 5

Tuition Fee Increase for Foreign Students from 1996 to 2016

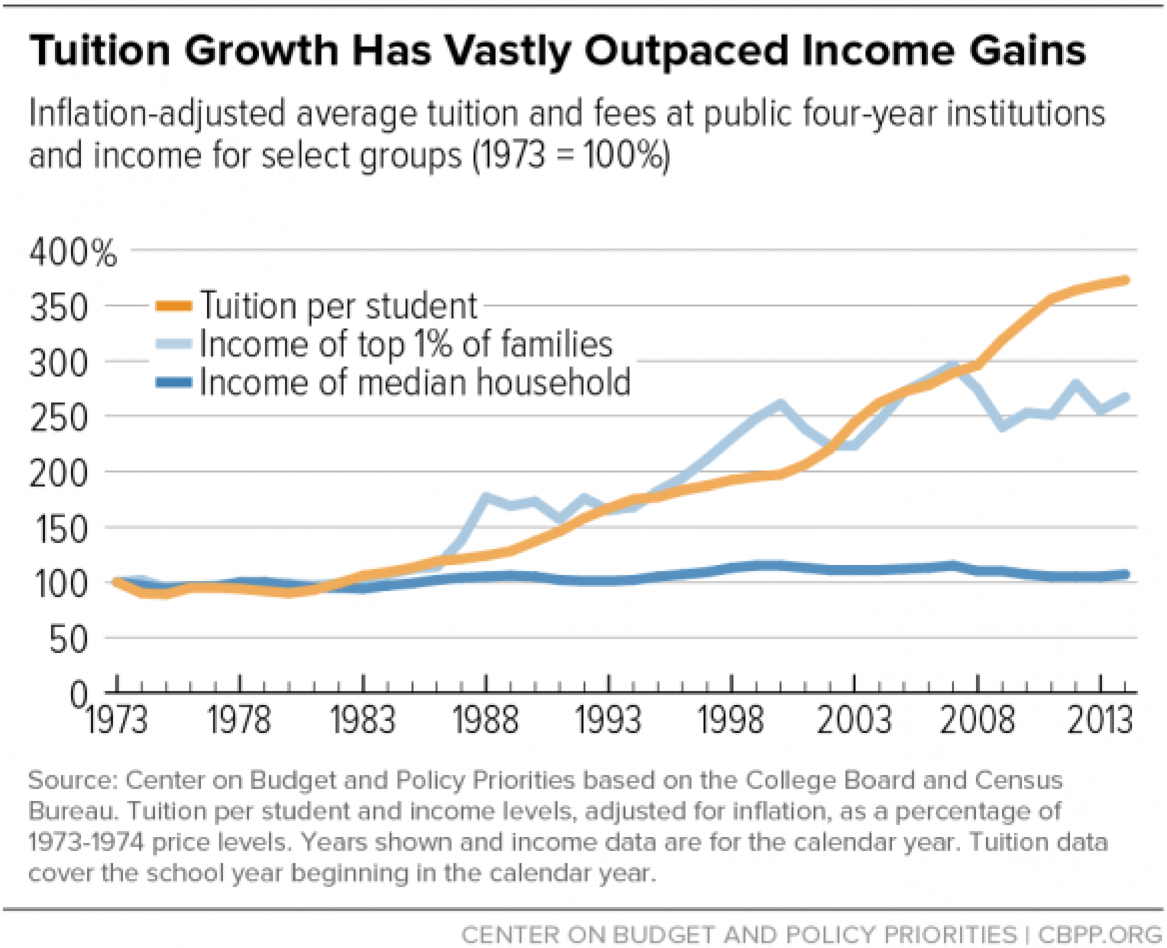



Source: Preston Cooper. National Postsecondary Student Aid Study.

https://fee.org/articles/why-international-students-are-giving-up-on-us-colleges/

Table 6

Tuition Growth Has Vastly Outpaced Income Gains

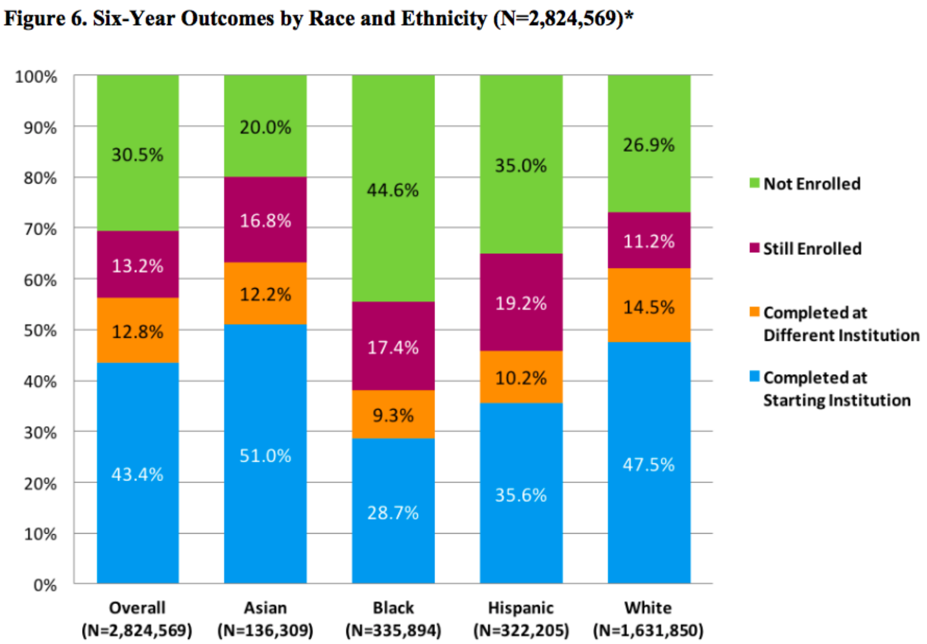



Source: Center on budget and policy priorities

https://www.cbpp.org/research/state-budget-and-tax/funding-down-tuition-up

Table 7

Year Outcomes by Race and Ethnicity

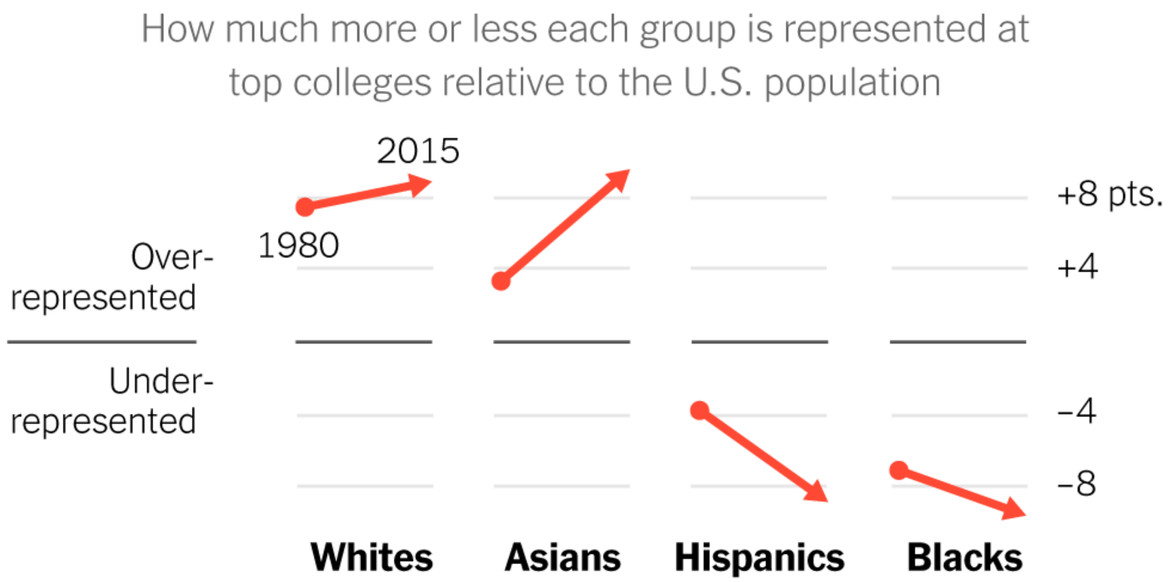



Source: Emily Tate, Inside Higher Ed

https://www.insidehighered.com/news/2017/04/26/college-completion-rates-vary-race-and-ethnicity-report-finds

Table 8

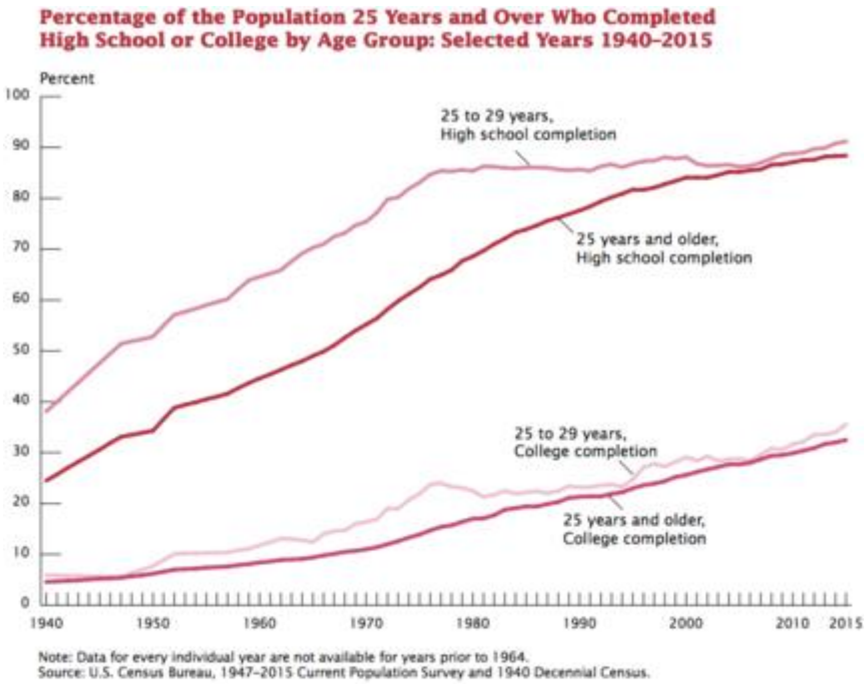
Top colleges representation of the U.S. Population




Source: JEREMY ASHKENAS, HAEYOUN PARK and ADAM PEARCE, The New York Times https://www.nytimes.com/interactive/2017/08/24/us/affirmative-action.html

Table 9

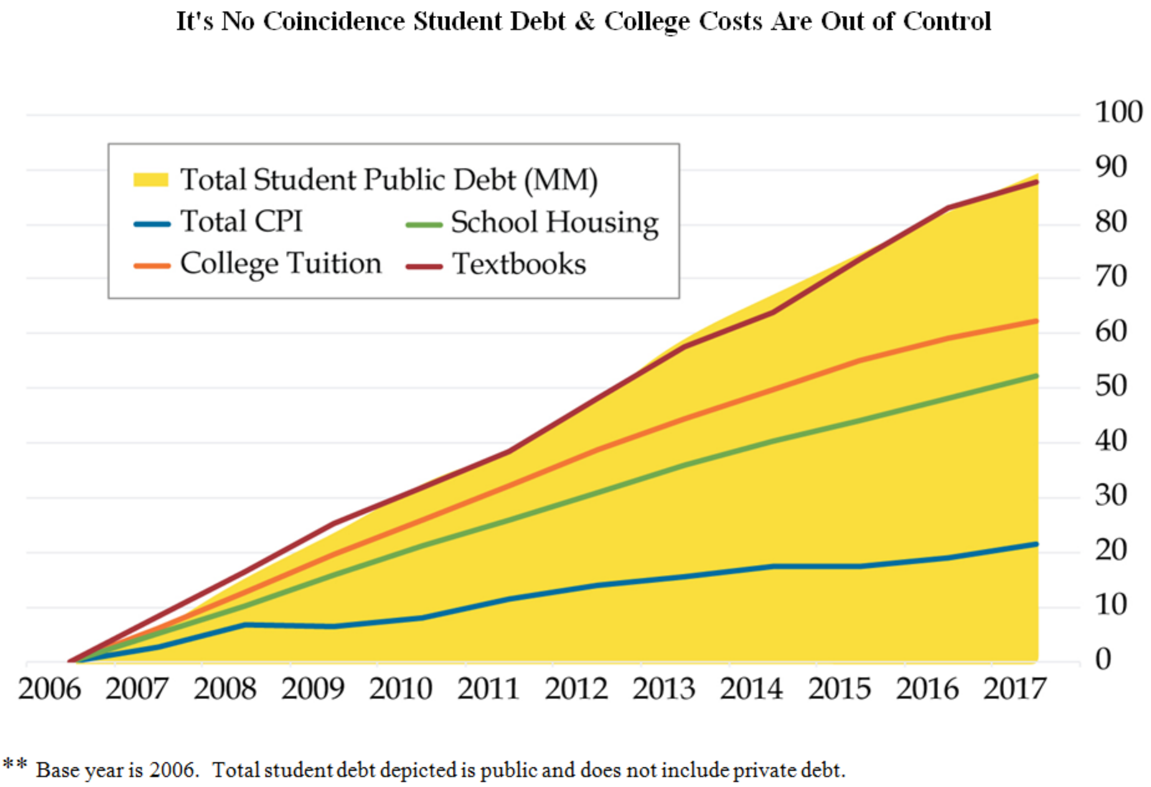
High School or College Completion by Age Group




Source: U.S. Census Bureau, 1947-2015

Table 10

The Never-ending Inflation Spiral of Tuition Fees and Costs

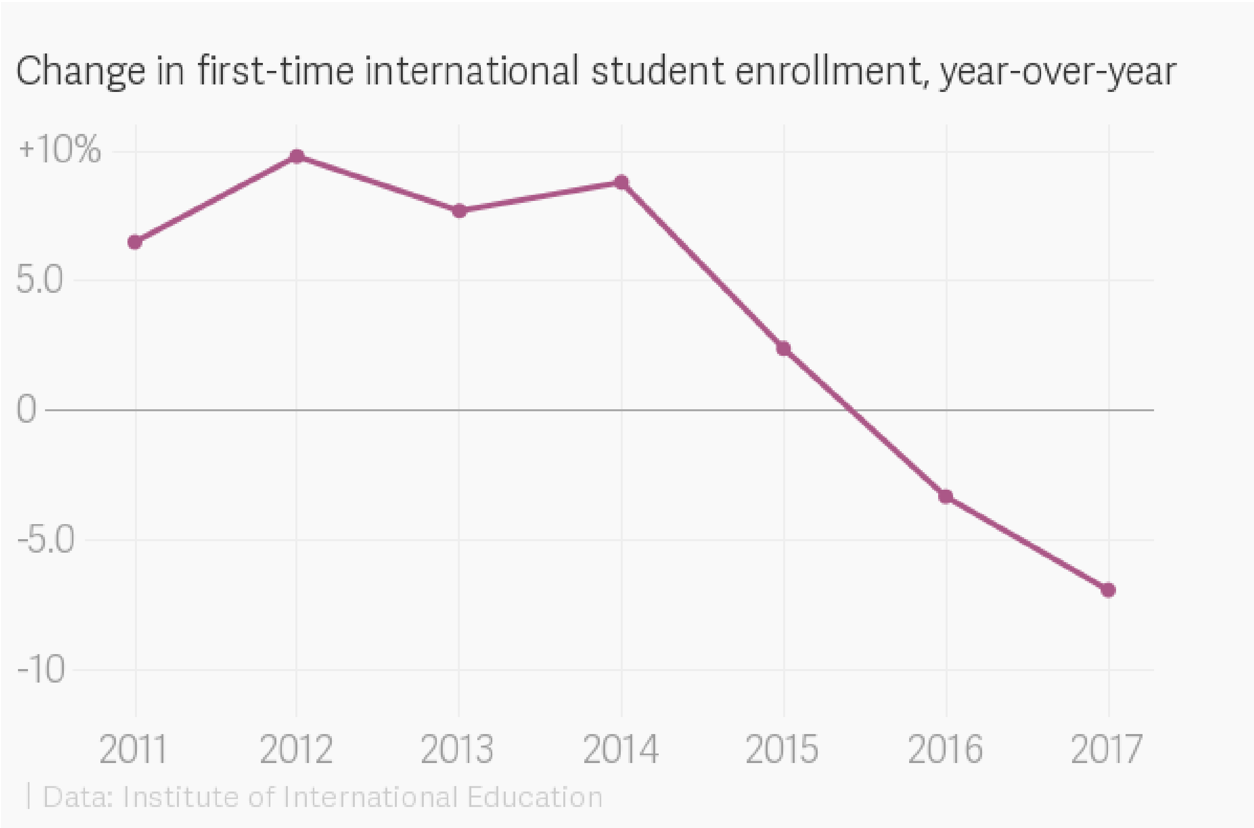



Source: Bloomberg Opinion

https://www.bloomberg.com/opinion/articles/2018-08-20/student-loans-are-starting-to-bite-the-economy

Table 11

The change in a first-time international enrollment from 2011 to 2017




Source: Youyou Zhou, Reporter, Institute of International Education

https://www.theatlas.com/charts/ry8PpIUTf