

The World of Education Podcast

Episode 1.3: USA Higher Education in 2023

Guest: Chris Marsicano, Assistant Professor of Educational Studies at Davidson College

Alex Usher (AU): *Chris, thanks so much for joining us today. How are you?*

Chris Marsicano (CM): I'm great. Thanks so much for having me. I'm just thrilled to be here.

AU: *Okay. Well, listen, we're talking today about what 2023 might look like in higher education in the United States. 2022 ended with the election of new Congress, which brought us a more clearly Democratic Senate and a house with a very thin and very fractious Republican majority. How's the new Congress going to shake up the politics of higher education?*

CM: Ha, well, I think in general, the conventional wisdom is that the new Congress is not going to be able to get much done. There's a view, certainly in Washington, that Speaker McCarthy is not the strongest of speakers in terms of the fact that he's got a small minority of his caucus that is hardline on a variety of issues and believes that they can extract major concessions, not just from the Republican majority, but congress as a whole. So, they are certainly incentivized to push the envelope, and for that small minority, pushing the envelope often means not spending money, reducing federal expenditures, reducing taxes. At the same time, you have a democratic Senate, as you mentioned, that is very interested in following through on the Biden agenda in terms of more investment in infrastructure, more investment in education. So, you have these sort of unmovable mountains coming up against each other. Now, I'm a little less concerned than a lot of those who watch Congress because earmarks are back. So earmarks, the grease that makes the wheels of the machine of Congress work are finally back after a long hiatus. We're beginning to see earmarks as a way to get some horse trading done and ensure that Congress does actually operate the way it's intended - which is to pass laws that are signed by the executive branch and then put into action. So I'm a little more optimistic than many, but it's going to be pretty slow going here for a little while.

AU: *In a sense, it seems to me we're back where we were in the last six years of the Obama administration. A president with significant ambitions around public higher education but who wasn't powerful enough to do very much because Republican majorities in the house made legislation impossible. Right? What Obama did then was to start governing by executive order. And so, there were very executive orders, I'm thinking around Title IX, and there were his attempt to try and make two year colleges free, but executive orders just have a more limited scope than legislation. You can't do as much with them. So, what does a Biden executive order only agenda look like?*

CM: President Biden and his team know how to use an executive order clearly. They understand that executive orders are at best temporary. The second a new president comes in, that new president can just undo anything that the Biden administration did. To the Biden administration's credit, they seem to be focused heavily on finding ways around using executive orders and finding legislation that empowers the administration to make decisions. I think a great example of this is student loan forgiveness. There is a sort of obscure passage in a 2003 bill that came out of the post 9/11 Bush world that empowers the Secretary of Education to forgive student loans. So rather than govern by executive order, the Biden administration says, "look, we have the power to do this based on this, this law, this legislation. So we're going to follow through, we're going to use those powers in times of national emergency". And I think that's a key difference between Biden administration and the Obama administration. The Biden

administration has, for better or for worse, had to govern during a time of national emergency, Covid-19. As a result of that, has had greater executive powers than normal, but the days of governing using those emergency powers are close to over yesterday, President Biden announced that on May 11th the state of national emergency is going to end, and I don't think any one of us knows what's going to happen next.

AU: It sounds to me in part what you're saying is that Biden's just got better lawyers than Obama does. They've figured out how to guide [these processes] and that's important because I want to come to that next question about student loan forgiveness, right? It has been stalled in the courts and people are challenging it among other things. I recognize there's a number of challenges from a number of different directions, but one of them is whether or not in 2022, there was still sufficiently a state of emergency in order to use that provision. How is the court process likely to play out over the next year?

CM: That's a great question. Conventional wisdom is that a Supreme Court that is appointed predominantly by Republicans is unlikely to allow the Biden Administration's plan to go through. That's conventional wisdom. I think there's some caveats here that are important to break out. So, where we are currently is about 16 million people of the 26 who applied have been approved for loan forgiveness. However, due to lawsuits from six states, those forgiveness payments have not been allowed to go through. So, the Biden administration has been tied or held to the point where they can't they can't give out those student loan payments. Now, the main issues here are the six states argue that they have been injured in some way. So, for instance, Missouri says, "look, we can't allow this student loan forgiveness to happen because our own state student loan program will be detrimentally affected". And that's sort of the first thing these cases have to show is that that there's been some injury to these states in order to stop the program. The second is the constitutionality, and you're right, there's a real question here as to whether there is constitutionality around student loan forgiveness. What constitutes a national emergency is a big question here. I do think the Biden administration's lawyers are on fairly solid ground. The question will be: does the Supreme Court consider the 2022 pandemic to be a student loan forgiveness worthy version of a national emergency? It's going to be fascinating to watch. We're still in the early days of this. Written arguments were just supported last week. So, we've got a long way to go, but it's going to be a long time before we have a final answer on this issue.

AU: Not 2023 I'm hearing.

CM: Probably not.

AU: So, I'm going turn from student loan forgiveness to student loan repayment, because those have now been suspended for just about three years in the United States now, right? That was fairly early on in the pandemic that they were suspended. They were suspended up here in Canada too, but we got back to repayment within about six months. At first [in the US], it was about COVID, and then it was a stop gap measure until forgiveness could be worked out, and now it's not worked out. So, now we're back to no repayments. If the forgiveness efforts don't work out, if the lawsuits end up destroying that process of loan forgiveness, are loan repayments ever going to be restarted? At least under a democratic government?

CM: I don't know. Really, there's no real great way to answer that question. I thought they would be reinstated by now. I mean, President Biden has shown himself to very often say something to the effect of: you follow your commitments, you do what you're supposed to do. And there have been multiple times where the rumor has been that the repayments pause is going to stop. I just don't see it

happening. Certainly while the Supreme Court case is going on, and I certainly don't see it happening under this administration. I mean, it is possible even that a Republican administration would start them back. But candidly, it's not entirely clear that that is exactly what would happen. You have a large number of people who now for three years have gotten used to not paying back student loans. It would be a politically fraught decision for any administration to reinstate them. And so I think it is pretty clear that the Biden administration has no intention to reinstate the student loan payments. I'm not sure a new Trump administration or a new DeSantis administration would either when it got down to it. It's going to be a fascinating thing to watch.

AU: Right. And of course, if you're not asking students to repay, you might eventually start asking whether or not they should be lending them in the first place. Right?

CM: Exactly. Yeah.

AU: Chris, another aspect of Democratic Party policy has been the emphasis on making the US more competitive, again, in areas of high technology through things like the CHIPS and Science Act. It's certainly got the attention of policy makers in Europe and elsewhere around the world simply with the tens of billions of dollars due to start flowing towards universities and businesses in high-tech areas. Who in higher education is really going to benefit from these programs?

CM: Yeah, sure. So, let's start by sort of talking about what the CHIPS and Science Act is, what it does, and then I'll answer sort of who benefits. So, it does not appropriate, but authorizes around 280 billion dollars for investments in research and development, and STEM, and CHIPS, creating CHIPS. About though, 175 billion of the 280 billion is directly towards research. R&D programs about 67 billion of it goes to the Department of Energy. A little over 80 billion goes to the National Science Foundation. Now, these are massive grant making agencies to higher education institutions. That's where a lot of R&D happens, right? You would expect that the traditional powerhouses of research, the large public flagship universities in the United States, places like Harvard and Duke and Vanderbilt, that tend to do very well in competitive research projects would also do well in this process under the CHIPS and Science Act. However, there is some language in the CHIPS and Science Act that does direct funding towards minority serving institutions or what the Biden administration calls emerging research institutions, rural serving institutions. So it's not a clear cut. This is definitely some going to go to the UCLA's and University of Virginia's of the world. It may also go to a new subset of institutions.

AU: Let me take us down to the state level now because right now I get people emailing me all the time about what's going on in places like Florida and Texas using these sorts of language of demonization about critical race theory (CRT) more or less as a coup to stop universities from teaching history and sociology properly. How is this CRT stuff going to play out over the next year or so? is it going to be limited to big states like Florida and Texas where we see sort of a rolling wave of anti-CRT stuff coming across all the various Republican states? How do you think this is going to play out?

CM: Looking through CRT in 2023, you have to look at the state of Virginia in 2021. So, Glenn Younkin, who ran for governor there was losing his election and then the final weeks, he pivoted as a campaign strategy to focus almost solely on school choice and CRT being taught in high schools. He won in a sort of surprising manner. And so the GOP strategists immediately said, "okay, this is the way to drive up turnout for our base. This is the way to bring more moderate voters onto our side. We've got to tell everybody to do this. Now the question is: will that do well in a national election? Because the viewpoint is that these decisions are in part to place DeSantis and Abbott and others in a situation where they can

run for President and challenge President Biden in 2024. So I'm not sure that that message is good for all area codes in all time zones. You know, people in Wisconsin really love the University of Wisconsin, and people in Virginia really love the University of Virginia. I could foresee a pretty significant backlash at some point. Now, I think one state that I would really think is worth watching as we move forward here is actually the state where I am right now, North Carolina. So North Carolina has a very strong state legislature and a fairly weak Governor in terms of legislative powers or executive powers. Yet the state governor is sort of not going quietly. Governor Cooper is a Democrat and has put together a commission that is looking at the governance of public higher ed. Watching North Carolina over the next couple of months and years to see how it plays out in terms of the politics of higher education, that is where I would pay attention their sort of soap opera stuff going on down here.

AU: And North Carolina being very much a bellwether state these days split between Democrats and Republicans.

CM: Very much so.

AU: Apart from CRT, what else is going on at the state level that we should know about? Are there any states that you'd pick out as ones to watch either positively or negatively on the policy front?

CM: Tennessee is another one I would watch pretty heavily. Tennessee famously being the first state to have a free community college program, a program that was started by a Republican governor passed in a Republican state legislature really with the focus on building a competitive employment and labor market for the future. Tennessee would be another one I would watch because if higher ed continues to take it on the chin in some ways in Tennessee, then that would suggest a sort of a departure from the previous history of Republican politics in the state. Of course Florida and Texas are worth watching, not just because they have these governors that have grand designs on the Presidency and therefore making decisions to support that decision, but also because that's where a lot of students are, right? Texas, Florida are some of the largest exporters of students, the largest 18 to 24 year old traditional age population. What happens in those states is really important for the future of the country. And then of course you, you can't talk about higher ed in the United States without also talking about California where there's a great push to force greater affordability in California. Certainly legislatively. I don't know what will happen, but the UC system started as nearly free, and there's certainly a component of the California legislature that would like to get back there. But, if I had to pick one to watch, North Carolina would be the one, because you have some innovations in low cost/low tuition higher ed with the North Carolina Promise programs, and you have sort of this political backdrop that will be fascinating to watch in the coming years.

AU: Great. Last question. This is more of a longer-term phenomenon, if you want to call it that. A couple of weeks ago I wrote about how American universities have been doing in global rankings and in particular, a fairly large and geographically diverse group of institutions, both public and private, have really fallen out of the top tiers of global rankings. I'm curious if there's a sense in American institutions that the world's catching up and whether or not there is any urgency about this slipping, or no?

CM: That's a great question. I think, no - perhaps to our detriment as a as a country. I think that there's a disbelief that in the post-World War II era, the United States higher education landscape has had such a first mover advantage that it will be hard for any country to catch up. Even still as institutions in the United States have fallen out of the top tier of rankings, the majority of institutions still in the top tier of rankings still are American institutions. So I don't know that there's a massive sense of urgency, but

there are a couple of numbers that I would look at to suggest that there maybe shouldn't be yet or that it's too early to have that sense of urgency. The United States is still the number one destination for international students, especially graduate students with over a million graduate students in the United States coming each year. That faltered a little bit during Covid and during the Trump administration but the numbers are going back up. We have consistently, as a nation, been fairly open with higher ed. The biggest concern for me around some of these academic freedom issues at some of these public universities at the state level that we just talked about is that I worry that that openness will close. That great public universities, especially in the United States, will no longer be considered a destination as they have been for a long time. It's been almost 20 years since the top two producers of bachelor's degrees who go on to graduate degrees in the United States aren't Pecking university, right? So we have already imported a great number of international graduate students. We should then therefore not be surprised when those students go back to their countries and make their own universities better, right? So, I don't know that this is so much that the drop in the rankings of places like Vanderbilt's, my alma mater, and Virginia is indicative of a loss of power in the United States; although it could certainly be. But really a gain of quality and performance across the world.

AU: Chris Marsicano, thanks so much for joining us.

CM: Oh, it was an absolute pleasure. Happy to do it. happy to come back anytime.

AU: We'll call you on that. Thanks a lot.