

WEDNESDAY COMMUNIQUÉ

## March 5, 2014

**Public or Private Good?** Around this time each year, all eyes turn to the cost of public higher education as state governments approve their budgets, and boards begin to finalize the budgets of their universities. Invariably, the discussion turns to the specifics of tuition and fees as families and students try to budget for their next year's costs, while the university leadership tries to account for the rise in benefits, services, and salaries. The Chronicle of Higher Education has two thoughtful articles that place the issue of college cost in its proper context. As I have often discussed in this Communiqué, funding for higher education rests on the question of whether a college education is a public or private good. Through the Morrill Acts of 1862 and 1890, the United States committed to the public good of higher education, a commitment renewed in the GI Bill of 1944. But present pressures on states' budgets (Medicaid, K-12 public education, law enforcement, etc.) have placed that commitment in serious jeopardy.

UNM's share of revenue coming from state support <u>went down</u> from 48 percent in 1987 to 36 percent in 2012. This is due to the rise in the cost of delivering education (slightly higher costs per student as well as the increase in the number of students). According to <u>the article in *The Chronicle*</u>, "It is true that colleges could make different choices in how they spend their money — and whether they should do so probably will always be a matter of debate. But it is also true that there is no evidence of excessive growth in how much public colleges are spending. The \$11,000 per student in 2012, according to the State Higher Education Executive Officers, was almost exactly the same, when inflation is taken into account, as they spent a generation ago."

The worst decline took place for the University of Illinois at Chicago, whose state support is down by 36 percent during the same period. The University of Colorado at Boulder had only 4 percent of its costs covered by state support in 2012, and had to make up the remainder by raising tuition for out-of-state students. In 2012, states paid on average \$5,906 of the cost of educating a student while the students paid \$5,189 (In NM, those numbers were \$7,272 from the state, and \$2,147 from the students). In 2012, 26 states paid more than half the cost of education per student, while students paid more in the other 24. The trend is unfortunately in the direction of less state support, leading to the conclusion that if present trends continue, Colorado will no longer support higher education by the year 2022, and New Mexico will no longer do so by the year 2194! An overview of how small and seemingly independent actions have led to the erosion of public support for higher education is detailed in <u>this article</u> in *The Chronicle*.

**Gender & Mobility:** A recent World Bank study on urban mobility highlighted differences between the workforce opportunities available to men and women in Buenos Aires, as well as in Europe and the US. According to the authors of <u>the study</u>, "to our surprise, our initial look at the data did not highlight any significant differences; average commute times for men and women in the labor force were about the same (47.47min and 47.10 min respectively) across all income and socio-economic groups. This similarity of men and women's average commute time is consistent with a body of evidence that suggests that average commute times across societies, trip types, travel time dispersions and income levels remains quite stable. However, once we started taking a closer look at our data, we found out that those similarities in men and women's commuting patterns were largely deceptive: as geocoded trip patterns reveal, men and women's average commuting times may be roughly the same, but men actually travel at significantly faster speeds and, as a consequence, cover larger distances." While the study's data is inconclusive about causality, the authors note the complexity in women's travel, particularly, but not exclusively, among women with children. The difference in range has implications for available job opportunities.

A Message to Students: You already know that your health and wellness are important to your personal and academic success here at UNM. What you may not know is that the deadline for enrollment in the Health Insurance Marketplace ends on March 31. You can find information on the <u>Student Health & Counseling website</u>, and assistance is available during "<u>Get Covered Fridays</u>."

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