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The connection, or lack of it, between social research and public policy has long been a source of frustration — for both researchers and policy-makers. The problem is one of unrealized and unrealistic expectations on both sides.

- Social scientists and policy researchers may believe their data and investigations could improve the quality and soundness of decision-making, if government officials would pay heed. But research is only one variable in the diffuse, disjointed process of public policy-making. No policy study, no matter how apparently dispassionate and compelling, can displace the fundamentally political exercise of reconciling competing interests and decisions through political institutions.
- Legislators and other government decision-makers, for their part, tend to be impatient with the often abstract, tentative, and conflicting results of policy research. They expect what the deliberate, systematic procedures of social science generally cannot produce — immediate and clearcut answers to complex, often equivocal, sometimes unresearchable questions.

Much has been said and written elsewhere about the jumbled mismatch between research and policy. Perhaps the greatest need is for "research brokerage" to bridge the gaps in style, language, reward systems, and timetables that obstruct an effective flow of communication between the worlds of social analysis and political action.

Herewith are some reflections on the role of policy research, broadly defined, in an area of government activity that has burgeoned in the past 15 years — federal aid to students in higher education. As in other policy areas, the research connection in student aid has been uneven and uncertain but not insignificant. What follows is a look at the analytical dimension of student aid policy-making — the record of the past decade and a half and a look ahead as Congress prepares to reauthorize the Higher Education Act in the mid-1980s.

Policy Origins: Documenting Inequities

The first thing to note is that simple descriptive information can be more powerful than the most elaborate behavioral research. The federal commitment to equalizing opportunities for higher education through student aid was forged in legislation of the 60s and early 70s. Straightforward statistical analyses, based on Census and other survey data, had documented the reality that college attendance was closely related to family income, even when controlling for academic ability. Reports by two major national groups (the Carnegie Commission and the Rivlin task force) further dramatized the inequities of college access and choice and called for national action to address them. The data and findings were simple and rather unstartling, but

Lawrence Gladieux is Executive Director of the Washington office of the College Board and is, in the view of the Editor, among the nation's foremost experts on student aid policy determination at the federal level.

they helped shape policy thinking and were the catalyst for new legislation aimed at removing the financial barriers to postsecondary education.

The Political Dynamics of Middle-Income Expansion

In the mid-70s pressure began to build in Congress for broadening the base of eligibility of the aid programs, extending benefits further up the income scale. To head off tuition tax credits, the Carter Administration agreed to support the Middle Income Student Assistance Act, which became law in 1978.

The weight of analytical opinion, from the Congressional Budget Office and other sources, did not support the view that middle income students and families had been disproportionately squeezed in financing college costs, nor was there evidence of a disproportionate drop in college enrollments of middle income youth. Many analysts also pointed out that expanding the Basic Grant program to include small ($200 - $400) awards for middle income families would have little if any effect on attendance patterns. That is, the amounts would not be large enough to change college-going behavior. Congress, of course, was not deterred by such arguments as it responded to the middle-income protest. Political rationality overwhelmed analytical rationality.

The most consequential change brought about by MISAA was the removal of the income cap on Guaranteed Student Loans (GSLs), permitting any student to qualify for subsidized credit. This change (along with the uncapping of the special allowance to lenders in 1979) triggered the great explosion of student borrowing, the accompanying long-term growth of federal obligations, and the relative shift of federal student aid benefits from low to middle and high income students in the late 70s and early 80s.

The opening up of GSL eligibility, almost an offhand decision, was made on the Senate floor on the strength of the argument that the program would be simpler to administer and banks would be more favorably disposed to participate if there were no need or income test. Census data were cited indicating that only two or three percent of families had income over $40,000, the eligibility cut-off that had been set in the committee bill. The fact that the data were from 1970 and for all families, not families with children in college, meant that the effects of uncapping eligibility were substantially understated. But the political dynamics of the moment made it easy to overlook the subtleties of data.

Research as a Political Dodge

By 1980 the surging costs of the Guaranteed Student Loan Program had become a flash point in the battle of the federal budget. Both the Carter Administration and the Senate budget committee were intent on bringing spending in the student loan area under control. Education committee leaders nonetheless managed to shield the loan program from major proposals to curb eligibility or reduce subsidies when the higher education statute was reauthorized by Congress in that year.

As a gesture to the call for reform, however, the Education Amendments of 1980 followed the time-honored practice of farming controversial and unresolved issues out for research. The 1980 law estabished a National Commission on Student Financial Assistance, charged with studying and reporting back to Congress on "alternative proposals designed to reduce the cost of the Guaranteed Student Loan program," among other things. A laundry list of specific and general studies was included in the Commission's mandate, covering topics like graduate education as well as student loan policies. The Commission became a catch-all for items that Congress was not prepared or did not want to deal with in 1980.

The final report of the National Commission on Student Financial Assistance is due in late 1983. To date actions and recommendations adopted by the Commission have supported the status quo in federal student loan policies.

In the past such policy research mandated by Congress has produced little in the way of tangible results. Ten years ago another commission carried out a congressional charge to develop "alternative models for the long-range solution to the problem of financing postsecondary education." Congress had been under intense pressure from major higher education groups to enact general, formula-driven aid to institutions as part of the 1972 Education Amendments, but had chosen instead to put the emphasis on aid to students. Creation of the National Commission on the Financing of Postsecondary Education was a token of congressional concern about the financial health of the system. That commission conducted extensive research and produced an "analytic framework" as part of its final report to Congress. But Congress did not know what to do with the results of the research it had called for, the Commission's report had little apparent impact on the next review of federal higher education legislation in 1975-76, and the cause of general aid to institutions has never since captured the serious attention of federal policymakers.

Institutional Stakes: Analysis of Winners and Losers

General federal aid to higher education did not prevail in 1972, but the growth of the federal student aid programs in the past decade has created high stakes for postsecondary institutions. Much of the policy analysis conducted by the national higher education associations, in fact, centers on the question of who would win and who would lose — among institutions — under alternative federal policies for aiding students. The perceived institutional stakes will grow in the 1980s as colleges and universities compete for a shrinking pool of high school graduates. Representatives of the various sectors — public, private, proprietary, four-year and two-year — will scrutinize and debate proposed changes in the allocation formulas, eligibility criteria, and definitions of student need that determine who gets what, where and how from the now $6 billion-plus spent annually on student aid programs under Title IV of the Higher Education Act.

Does Student Aid Make a Difference?

A recent focus of increased analytical attention is the matter of whether the federal investment in student aid has measurably advanced the goal for which the programs were originally established — greater equality of opportunity in higher education. W. Lee Hansen, a University of Wisconsin economist, recently prepared an analysis for the National Institute of Education (NIE) that answers this question in the negative. Federal financial aid, he concludes, has basically operated as a transfer program, merely relieving some of the burden of college costs for parents and students but failing to induce new enrollments or change the mix of present enrollments.

Circulation of the Hansen study (yet to be formally published) touched off fears in the higher education community that the analysis would be seized upon by the Reagan Administration to justify further cutbacks in the aid programs. (In fact, the Administration has backed off from the Draconian proposals advanced during its first two years in office; the President's fiscal 1984 budget proposes a vast restructuring of student aid but the dollar commitment would be roughly the same as Congress provided for fiscal year 1983.) The Hansen paper has also generated a spate of alternative analyses challenging his methodology and findings on various grounds.

The jury is still out in this scholarly exchange, but the evidence so far points up the limitations of data and analysis on complex social phenomena and the pitfalls of drawing hasty conclusions from such research. My own view is that the Hansen analysis is no doubt partly right: Substantial federal funds, especially since the MISAA expansion of 1978, do simply displace what students and families would otherwise invest from their own resources to pay for college. The data, however, do not support the sweeping conclusion that student aid has not made a difference in patterns of student access and choice during the past decade.

The debate over the effects of student aid is in a sense reminiscent of the controversy triggered by the Coleman Report of the mid-60s, which concluded that the resoures and characteristics of schools bore little relationship to disparities in educational achievement among groups of students ("schools don't make the difference; families do" was the catch phrase that summed up the report). In both cases, the inadequacies of available data and the inherent complexity of the subject almost insure the emergence of conflicting evidence on all sides of the question.

Despite the inevitable blind alleys in behavioral research, analysis will continue on college attendance patterns and the multiple factors, including student aid and tuition, that influence student decision-making regarding postsecondary education. NIE, in fact, is about to finance a two-year study in this area.

Outlook for the Next Reauthorization

Though odds are that Congress will not get around to reauthorizing the Higher Education Act until 1985-86, the process leading toward this end is already underway. The Reagan Administration has held its own set of preliminary field hearings to gather views on reauthorization, and the House Subcommittee on Postsecondary Education has begun taking testimony.

What will be the issues in reauthorization? It is very possible that the debate will be low-key, with the focus on fine-tuning existing programs rather than substantially overhauling them. Research may raise questions about whether the aid programs are meeting their intended objectives, but the programs have emerged from the budget battles of recent years with a strong base of congressional support. Many will argue for stability in the student aid system after the upheaval of the early Reagan years. Also working against major change will be the tendency toward gridlock among the various segments of the higher education lobby; "winners and losers" analysis militates politically in favor of the status quo.

On the other hand, a national election will take place between now and the time Congress will most likely act on reauthorization. The fortunes and politics of education on the federal scene may shift as a result. Moreover, there is growing public discussion these days of the importance of "human capital development," a theme that may begin to alter the context in which decisions are made about how best to finance students in higher education. A new set of concerns could influence student aid debates — the relationship between education and the nation's need for trained manpower, the search for new techniques to ensure the full use of talent, the competition for young adults between higher education and the military, and the need for continuous education and retraining in a world of rapidly changing technology. How might educational financing strategies be altered to meet emerging needs of the economy? Is student aid an appropriate tool for trying to achieve manpower objectives?

At the same time, the concern for equity will not go away. What is the appropriate balance between the government and the individual in sharing the costs of higher education? Overall, students and their families are likely to have to shoulder a larger portion of college costs in the years ahead. The question is who will be served by student financial aid in an era of retrenchment. On the heels of rapid growth and the broadening of eligibility, who will be squeezed out in the process of tightening down? Can we sustain the momentum of the past two decades toward an educational system based on wide access and freedom of choice? Can programs and policies be made more efficient and made to serve newly important goals without abandoning or dimming the prospect of equal opportunity for all groups in the society?

Whatever the direction and tenor of reauthorization, these are some of the questions that will underlie the policy debates. Data, analysis, judgment, and interpretation from a variety of sources will be needed to inform those debates. Student financial aid is a nearly $20 billion enterprise in this country, three-quarters of it generated in one way or another by federal legislation and programs. Yet the system is highly decentralized and we know strikingly little about the patterns and efffects of aid among students or institutions. As always, policy research will be variously used, misused, and ignored in the political process, but policy outcomes would be poorer without it.