The National Commission on the Financing of Postsecondary Education made its final report available in early February 1974. The report received very mixed reactions best summarized by the Chronicle of Higher Education as “greeted with support, relief, restrained glee.” These attitudes reflected the reactions of the diverse interest groups within higher education. They interpreted the report as supporting or opposing the parties engaged in increasingly bitter arguments over the desirable level of tuition for public institutions and the growing emphasis of direct federal aid to students rather than aid to institutions.

Controversy between public and private institutions over the tuition question lay dormant for most of the 1960s while enrollments increased in all types of institutions, though at different rates. In the 1968–69 period, simultaneously as federal support of higher education was reduced with pronounced denigrating effects on the large research universities and especially the “emerging universities,” the rate of college attendance of high school graduates began to drop. Between 1971 and 1973 an enrollment decline occurred in almost a third of the nation’s colleges and universities (Glenny et al., in press). The private small liberal arts college, the state college, and the emerging-university types were especially hard hit. The incipient argument became vocal and even raucous as the private sector sought higher student tuition charges for public institutions to prevent “unfair” competition in the dwindling student market.

Higher institutions were generally united, however, in their appeal to Congress and the Administration for more direct institutional funding as student aid was increased. The government seemed to favor the market model of advancing funds to higher education by giving the money to students and allowing them to choose which institutions to attend. Many proposals were advanced by individual scholars, associations, and commissions for a federal rationale for funding, with most tending to favor the interests of private institutions.

While many other issues and subtleties were present as Congress (not the Administration) authorized establishment of the National Commission, these two enigmatic
problems dominated the scene. The Commission engaged in a long search to obtain as director and chairman persons with national stature, reflecting the degree of emotionalism over the issues as much as it did the lack of Administration support for the study. Moreover, during the one calendar year of 1973 that the Commission worked, the industry-dominated Council on Economic Development released a study (1973) recommending among other things that student tuition for public institutions be raised to half the cost of instruction; and the Carnegie Commission suggested, in a report (1973), that tuition be set at a third of the cost of instruction. (Tuition was assumed to be about 17 to 20 percent of the cost in 1972.) Within this setting the Commission conducted its work and made its report.

The final Commission report made no recommendations on tuition, on levels of support, on student versus institutional aid, on the sharing of responsibility for funding by the several levels of government and private sources, on the distribution and flow of students among institutions, or on any previously suggested financing plan or one of its own. It provided no guidelines on aid of immediate applicability for the use of policymakers in government or higher institutions.

The report did provide: 1) a definition of postsecondary education which included all colleges, universities, and proprietary schools accredited by agencies officially recognized for that purpose by the U.S. Office of Education or [those] otherwise eligible to participate in federal programs; 2) an eight-point digest of objectives of "the national interest in education;" 3) an analysis of the degree to which previous funding patterns had achieved the objectives; 4) a statement that given the available information systems the degree of "financial stress" of institutions individually or by type could not be determined; 5) a framework (ten elements) for "analyzing national policies for financing postsecondary education"; 6) a mathematical model (an element in the framework); 7) the results of using the framework, including the mathematical model to analyze eight hypothetical plans for federal financing (composed of elements in actual plans previously suggested); 8) a recommendation for national standard procedures for "calculating the direct, indirect, and annual cost of instruction per student by level and field of study;" and 9) a recommendation for a national center for educational information with suggestions for the kinds of data (including student cost data) to be collected and analyzed. The report also recommended that "similar frameworks and analytical models be developed for federal, state, and other policymakers" and that further research be conducted on such models and frameworks. It urged that Commission findings and conclusions drawn about the impact of the several financing plans on national objectives be used in setting policy. The final paragraph of the report states, "The primary purpose of the efforts of the Commission has been to set the context for debate on the financing of postsecondary education," and that, "It is a beginning for those who will continue working in this critical area of public policy."

Did the Commission set the context for the debate which has ensued? Yes and no. For the first six months after release of the report the "context" set by the Commission was itself the subject of debate — not alternate funding plans. The definition of postsecondary education was questioned because it added to higher education only the accredited proprietary (profit-making) institutions. Omitted were the thousands of unaccredited institutions, as well as other agencies which enroll more adult students than all those included in the definition; namely, education and training courses offered by