CHAPTER 1

Introduction to the Contemporary Context

The relationships between higher education and society are changing in the twenty-first century. Changes are taking place in terms of who pays for college, who gains access to college, and the universities’ role in the global marketplace. For example, there have been decreases in public support for higher education (KRC Consulting, 2002; McMahon, 2009; Porter, 2002) and in state funding for public colleges and universities (Brandl & Holdsworth, 2003; Cage, 1991; Hansen, 2004), at a time when state and federal policies have linked higher education to the market in order to create jobs and increase economic viability (Bok, 2003; Jafee, 2000; Slaughter & Rhoades, 1996, 2004).

Recent national and global economic changes have caused ripple effects beyond Wall Street and Main Street; the ramifications have reached what I term Martin Luther King Jr. Boulevards across urban areas and College Avenues from coast to coast. Paul Krugman (2009), recipient of the 2008 Nobel Prize in economics, characterizes the situation this way:

I’m tempted to say that the crisis is like nothing we’ve ever seen before. But it might be more accurate to say that it’s like everything we’ve seen before, all at once: a bursting real estate bubble comparable to what happened in Japan at the end of the 1980s; a wave of bank runs comparable to those in the early 1930s (albeit mainly involving the shadow banking system rather than conventional banks); a liquidity trap in the United States, again reminiscent of Japan; and, most recently, a disruption of international capital flows and a wave of currency crises all too reminiscent of what happened to Asia in the late 1990s. (p. 165–166)

These “all at once” effects on Martin Luther King Jr. Boulevard and College Avenue are less of a focus in the mainstream media, but the
crisis has nonetheless impacted the daily lives of people across the United States. The economic issues are forcing many students, potential students, and parents to weight their academic options in ways like never before as articles with titles such as “Why Don’t Colleges Cut Costs, Tuition?” (Erb, 2009) and “What Is a Masters Degree Worth?” (Taylor et al., 2009) flood local newspapers across the country.

Although some crises have improved since 2008 and 2009, the ramifications of the economic downturn on College Avenue remain and include the reduction of endowments, furloughs, the rising costs of college, students’ ability to pay, cancelation of student-centered co-curricular programs, and the struggle for survival of the local college town gift shop, to name a few. This shift, however, began prior to the recent economic changes and is reflected in an increase in the commercialization of higher education and academic capitalism (Bok, 2003; Giroux & Giroux, 2004; Kerr, 1963/2001; Kezar, 2005; Slaughter & Rhoades, 1996) during an era of conservative modernization (Apple, 2006). Public institutions are mirroring aspects of for-profit online institutions, dining halls often moonlight as catering businesses, summer camps are stuffed in residence halls, and faculty compete increasingly for external dollars tied to market-related research (Slaughter & Leslie, 1997). In conjunction with these pressures, educational equity issues have been devalued in policy discourse in order to focus on economic worth and rationalize public funding for higher education (St. John, 2007; St. John & Hu, 2006).

Moreover, recent state budget cutbacks, “along with the declining share of state funding devoted to higher education, suggest that state colleges and universities have reason to be concerned about the reliability of government support” (Lee & Cleary, 2004, p. 34) and this concern grows with each budget cycle as higher education allocations will continue to decrease throughout the next decade (Jones, 2002). As Zemsky (2005) points out,

State governments…have consistently used market forces to solve their own short-term budgetary shortfalls by driving up the prices that publicly owned colleges and universities charge. This result occurs every time the business cycle reduces state revenues and forces state governments to choose between reducing state services and increasing state taxes. What the governor and legislature rediscover at that moment is that prisoners don’t pay rent, Medicaid recipients can’t pay much for health care, and public schools can’t charge tuition. But, thankfully, publicly funded colleges can. (p. 279)