Challenges for Higher Education in 2011

A Higher Education Bubble?

- Housing: Easy access to credit, fueled demand, fueled prices, fueled trading up...

- Higher Education: Easy access to credit for students, fueled demand for higher-priced colleges, fueled enrollment growth (especially at for-profits), fueled colleges to take on credit themselves

The End of the Climbing Wall-Era?
Increases in Undergraduate Enrollment, 1998-2008

Undergraduate Enrollment by Type of College, 1998-2008

Tuition & Fees
Tuition & Fees Compared to State Appropriations

Tuition Discounting

Distribution of Debt, 2007-8
Total Debt for Graduate Degree Recipients, 2007-8

Increasingly, Faculty Members Are Part-Time and Nontenured
Is The Bubble Bursting?
The Challenges Ahead

- Reduced role for federal/state governments
  - Growth in Pell Grant paid for by move to direct lending
  - State budgets in trouble
- Rise of Alternative Models of Education
  - Online/Hybrid
  - For-profit
  - 3-year degrees

We’re Both in the Information Delivery Business

What Are the Signs?

Newspapers had a decade to transform themselves before being overtaken by the digital future. They had a lot of advantages: brand names, highly skilled staff members, money in the bank. They were the best in the world at what they did — and yet, it wasn’t enough. The difficulties of change and the temptations to hang on and hope for the best were too strong.

-Kevin Cary
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Contact

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