Postsecondary education in the United States is at a crossroads. On one hand, access to college, financial aid, and support programs to help students succeed have all expanded remarkably. On the other hand, many students fail to complete their course of study, and costs are spiraling out of control. This issue of the *Future of Children* examines how higher education got to this point, and it asks whether we can preserve access, help students succeed, and keep college affordable.

**Higher Education Today**

About 70 percent of U.S. high school graduates enroll in college, up from 45 percent in the 1960s. The college population is more diverse, with more female, low-income, older, and minority students. And the reasons these students go to college are more varied. Though some students still seek a traditional liberal arts education, others want career skills, and still others enroll in a class or two simply for the pleasure of learning. Postsecondary institutions have grown more diverse themselves. Only a minority of students attend elite private colleges and public universities. Many go to less-selective public four-year schools, 40 percent attend open-access community colleges, and more than 10 percent attend private for-profit schools. Increasingly, students at all types of institutions are taking courses online—sometimes earning degrees without setting foot in a traditional classroom.

As enrollment has increased, so too has private and public investment. Federal, state, and local governments together contributed $161 billion to higher education in 2011, largely in the belief that higher education benefits individuals through higher lifetime earnings and society through faster economic growth. Evidence supports those claims. People with a bachelor’s degree earn 50 percent more over a lifetime than do people with no more than a high school diploma, and their unemployment rate is less than half as high. College graduates also have higher job satisfaction and better health than do people without college degrees.

**Problems to Solve**

The challenges facing U.S. higher education can be grouped into five broad categories:

**Many students come to college unprepared for the work.** Not only do they lack the necessary academic and critical thinking skills, they are also deficient in noncognitive skills such as organization, perseverance, and resilience. Developmental or remedial education to help these students acquire the skills they need costs an estimated $3.6 billion a year. We need to know whether and where this developmental education is effective, as well as what high schools can do to better prepare students for college.

**Given that many students aren’t ready for college, it isn’t surprising that college completion rates are far lower than enrollment rates, particularly at for-profit schools, community colleges, and less-selective four-year institutions.** Half of all students who enroll at a postsecondary institution fail to complete a degree or a certificate within six years.

**Expanding financial aid has made it possible for millions of students to seek a college education. But the complex process of applying for aid has made it hard for many students to find the right college “fit” and may discourage some students from applying at all.**
** Some critics argue that levels of student debt are simply too high relative to the amount that the borrowers can realistically expect to earn after they leave school. As a result, these observers say, many young adults are putting off getting married, starting a family, or buying a home.

** Many people contend that inefficiency is behind the dramatic cost increases in higher education, and that institutions could provide the same education, or an even better one, for less money if they reorganized and made greater use of e-learning and other technologies.

** Policy Implications

The contributors to this issue of the *Future of Children* suggest several areas where policy makers and practitioners can make progress.

** Reach consensus on what it means to be college ready. Some states are working to align their K-12 and postsecondary education systems. This is a step in the right direction, as is the effort to develop common standards for high school graduation and college entry. All high schools should make it a top priority to develop both the critical thinking and noncognitive skills students need to succeed in college and in a career. Community colleges and other less-selective institutions should reexamine policies that consign large numbers of students to developmental education and test new approaches to teaching basic skills.

** Provide objective and transparent information to help students decide whether to go to college, where to enroll, and what programs to pursue. Prospective students need objective information about an institution’s completion rate and how its graduates fare in the job market. The financial aid application process should be simplified and made more transparent so that students know exactly how much they will have to pay to attend a particular institution. Student-loan financing could also be simplified so that students can make better choices about whether and how much to borrow.

** Develop and adopt technology to slow the increase in college costs. E-learning can effectively deliver postsecondary education. But technology can also augment traditional counseling programs, help students find the appropriate course of studies for their abilities and career goals, and sound the alarm when a student shows signs of academic trouble. Educators are only beginning to understand how to use technology to promote educational quality and student achievement. The high initial cost of e-learning technology, combined with the potential to save money in the long run by using it, suggest that the public can play a critical role in encouraging institutions to adopt such technology and rigorously evaluate its effectiveness.

*The Future of Children* is a collaboration of the Woodrow Wilson School of Public and International Affairs at Princeton University and the Brookings Institution. For more information on *The Future of Children* please visit: [www.futureofchildren.org](http://www.futureofchildren.org).