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Book Review: *The Lowering of Higher Education in America: Why Student Loans Should Be Based on Credit Worthiness*

By Lenna Dwyer

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As federal legislators aim to expand access for all students – those who are academically prepared and those who are under-prepared alike – Jackson Toby offers a simple policy solution: only award federal aid to students who will succeed and be able to pay back their loans. Jackson Toby, in *The Lowering of Higher Education in America: Why Student Loans Should Be Based on Credit Worthiness*, urges for the reassessment of the current federal student loan policies.

The Lowering of Higher Education caters towards an audience who understands the current financial aid policy environment and who desire to learn about current policy debates. Toby outlines in six chapters the unintended consequences of current loan policy, culminating in a final chapter that offers policy solutions to avoid these unintended consequences. The book “[makes] the case that the educational and economic costs of the public policy of making college education a universal entitlement outweigh the benefits...” (Toby, xvi). The concluding chapter of the book outlines Toby’s basic argument, while the initial chapters provide more in-depth analysis about the definition of credit-worthiness when used for granting federal student loans.

The development of Toby’s argument comes slowly, as he carefully examines each facet of the current federal student loan policy and its flaws. Toby claims that colleges are undermining the K-12 system by giving students a false sense of postsecondary financial aid security and not incentivizing students to do well academically. His claim is built upon the idea that universal access to federal financial aid has lowered college standards in American universities. While Toby argues that higher education is undermining the efficiency of the K-12 systems, the basis of his later arguments focuses on the failure of the K-12 system to prepare students for higher education. Although shortfalls in each sector have been researched, Toby does not point to outside studies that support his claims. While not explicitly blaming the K-12 sector for the failures of student success, Toby argues that because of the K-12 failures in preparing students, the use of federal financial aid for college level remediation has become inevitable. Although Toby is adamant in his point, his blame for use of federal funds for remediation cannot be placed solely on the K-12 system; yet, *The Lowering of Higher Education in America* argues that federal financial aid should be used for college-ready students who will obtain success, and not to help underprepared students attain college readiness.

The Lowering of Higher Education is a summary of current public policy and research studies defining “student success,” as well as literature on student learning outcomes. Toby argues that there should be a more effective federally mandated K-12 education curriculum to ensure fewer

students face higher education underprepared. Although not stated, the revamp of K-12 education would theoretically lower the number of underprepared students entering higher education, thus reducing the need to adopt Toby's proposed aid reforms. Toby defends the idea of rationing higher education to students who are academically and financially capable of successfully completing a degree program. Toby further argues that students should not attend any level of higher education if they are not capable of repaying federal loans they need to complete the degree.

Creating a distinction between the intentions of access and the consequences of remediation, the author puts forth the argument that federal student loans should be an incentive. Incentivizing student loans, according to Toby, would require students to prepare themselves academically in high school to earn the ability to take out a student loan. Toby argues that higher education in America is not focused on teaching students; rather, it simply extends the years of fun. Although academic achievement may not be the focus of all students, Toby does not give statistics regarding students he considers to be having fun versus working hard. Awarding federal loans based upon academic performance in high school and college would push students to prepare and focus on academics rather than fun. This academic requirement to gain access to federal student loans would theoretically remove the grade inflation and teaching to the lowest achieving students that Toby argues frequently occurs, as fewer underprepared students would influx the higher education system. Although grade inflation would be reduced with such restrictions on higher education access, it would not be eliminated. He argues the removal of lower-income, under-prepared students from higher education, would allow college-ready students to be more challenged academically.

The idea that academic preparedness should determine potential federal student loan eligibility is the key theme of the entire book, which the author argues should shape financial aid policy. Toby tends to over-simplify the complexity of financial aid policy. Students who attend under-resourced urban schools, for example, may be penalized in Toby's system if they are not perceived to "perform" as well as students from well-resourced schools. Toby did not identify which population students would be compared against for being "college-ready." Similarly, he did not clarify whether students would be selected as college-ready based on their high school class rank, or by some standardized test. This gap in the argument influences greatly whether his solution even has a reliable measure of academic readiness, or whether it would further existing educational inequalities.

The author seems unaware of, or purposefully omits, the dangers of shifting to an academically based federal loan program. The previous decades of higher education legislation has focused upon access for under-privileged students, but Toby's program would negatively affect student access and disadvantaged youth, undermining previous policy goals. Toby acknowledges that removing loans for academically lower performing students could undo the push for increased access to higher education. He challenges this idea, stating that loans should be given to those who can repay them. He argues that academically prepared students should be

rewarded with federal loans to incentivize a focus on academic achievement, while students who are academically underprepared should not be rewarded with federal loans. However, this student loan policy would be detrimental to underprepared students who want to attend college. Without the option of federal loans, underprepared students might turn to private education loans, which have weaker consumer protections and fewer alternatives for repayment - an issue Toby does not fully address. Many low-income students depend on the federal student loan program as it is now, and removing this option for these individuals opens the potential for higher-risk borrowing. This unintended consequence outweighs the potential for any gains the policy may put forward.

Tying credit worthiness with academic success closes the door on higher education for most first generation students, as well as under-privileged youth without access to the best K-12 education systems in the country. Ultimately, the title *Why Student Loans Should be Based on Credit Worthiness* is misleading. The author maintains consistently that student loans should be based upon academic preparedness. Toby argues not that student loans should be based on credit worthiness, but that student loans should be turned into a merit-based program where students' financial need can be taken into account as a secondary requirement. Toby makes an overly-simplistic comparison between higher education loans and credit cards. The argument is that since credit cards are based upon credit worthiness as defined by debt load and repayment history, for example, student loans should also be based on a definition of worthiness. In the case of student loans, the definition of worthiness is academic achievement. Using academic achievement as the defining factor in granting federal student loans attempts to lower default rates whose burden ultimately falls upon taxpayers.

The Lowering of Higher Education fails to create a convincing foundation for the use of academic success as a basis for credit-worthiness. It is more so a reflection on the failures of the current system rather than a source of solutions for a new student loan system. *The Lowering of Higher Education* is an argument more about merit aid versus need-based aid, instead of credit worthiness. With little research released to defend his position, Toby's reliance on generalizations is evident throughout the text and limits the argument's ability to withstand academic analysis. Toby's argument that universal access, grade inflation, under preparedness, and financial burdens have created a breakdown in the quality of higher education in America reads more as an opinion-based editorial rather than anything backed by statistics or research. These shortcomings of the higher education system have been studied previously, but none have clearly been identified as the root cause. Although Toby's statements may convince those unfamiliar with the intricacies of federal student loan policies and the struggle with balancing access and student success, they fail to create an argument that the targeted audience - those familiar with student loans and policy considerations - could support without research. *The Lowering of Higher Education* does not prove itself to be a worthwhile take on the student loan problem. What Toby fails to do is offer a convincing argument about why credit worthiness should be the definition for which federal students loans are based.