Book Review

Tuition rising: Why college costs so much

Ronald G. Ehrenberg *Harvard University Press*, *Cambridge*, *MA*, 2002, 336pp., \$22.50, ISBN: 0674009886

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In 2008, the average in-state tuition and fees for a public four-year college or university in the United States was US\$6585 (Baum and Ma, 2008). For private institutions, the average in-state tuition was \$25143. Both of these tuition rates were more than 5 per cent higher than the past year, which has been the trend in US higher education for quite some time. In fact, over the last decade, tuition and fees at both public and private institutions have risen over 2 per cent higher than the rate of inflation, with no signs of changes forthcoming. In the aftermath of these rising costs, many students and parents are left wondering what could be the cause for this rapid inflation of college tuition, and whether they will be able to afford an education in the future.

Tuition Rising by Ronald Ehrenberg examines both the internal and external forces that cause colleges and universities in the United States to increase their tuition and fees beyond the consumer price index virtually every year. Ehrenberg's expertise on

the subject comes from his years of serving as the Vice President for Academic Programs, Planning and Budgeting at Cornell University, along with his many publications on the economics of higher education. Ehrenberg leaves no stone unturned in Tuition Rising by exploring the many different factors that can have an impact on tuition levels. The book shows that everything from changes in legislative policies to parking and transportation can affect how much money is actually needed to operate an institution of higher education to a level that is demanded both by the attending students as well as the administration. Ehrenberg goes into an enormous amount of detail to provide the reader with a thorough understanding of college and university finances from the viewpoint of someone who has been behind the negotiations of the neverending budgeting process.

Tuition Rising is organized into nine sections, starting with an introduction and historical perspective and ending

with a final thought where Ehrenberg provides his feelings on the future of private higher education. Each section is divided into separate chapters that cover a range of topics relating to why some areas of college operations keep fueling the growth of tuition at an institution. A few examples of chapter topics include endowment policies, tenure, enrollment management, cooling systems and housing. All of these chapters come together to paint a picture of the many different factions that make up a college or university, most of which are not normally thought of when discussing educational organization. As a caution to the reader, the title Tuition Rising: Why College Costs So Much leaves one to expect that the information contained within the book could be generalized towards the thousands of colleges and universities in the United States. Although, there are some areas in which this is true, a majority of the chapters are dedicated to the Ivy League and other highly selective institutions, which only count for a small subset of the overall colleges and universities in the country. Some areas of the book feel more like a brochure for the Ivy League than a piece of non-fiction while Ehrenberg goes into deep explanations of some of the innovations found at private institutions. Examples of this can be found in Chapters 17 and 18, which provide a description into the administrative make-up of the Ivy League athletics programs and Cornell housing facilities, instead of a thorough investigation into how these operations cause an increase in tuition. These particular sections of Tuition Rising fail to live up to the expectations generated from the title,

and leave the reader in a state of confusion on how these areas of operation add to the rising costs of an education.

Probably the most insightful sections in Tuition Rising come from Sections I to IV, which contain information on institutional governance, wealth management, research and the financial policies regarding faculty. Not only do these sections go into great detail on how these factors cause increases in overall institutional costs, but they are the sections of the book that can be most easily translated to many colleges and universities across the country. Ehrenberg explains the process during the 1980s when college tuition began to rise faster than the median family income in the US, and the fact that it has not let up since. Instead of pointing the finger at greed or other factors that may fill the imaginations of the public, Ehrenberg shows how during this time and beyond, the cost of educating an individual student has been increasing with the rate of tuition. This comes from internal pressures, such as improvements in student living conditions, and external pressures, such as legislative oversight and alumni demands. The section on university development is another area of the book that is worth mentioning, as headlines about some private institutions' billion-dollar endowments make the news on a regular basis. Ehrenberg points out the reasons behind building such large endowments and the restrictions placed on the institutions both from the government and administrative bodies from spending too much at one time. All the information contained in these four sections, along with select chapters throughout the rest of the

book, covers the necessity for higher tuition in the modern college or university.

One thing Ehrenberg does very well throughout the book is provide a convincing argument that the rises in tuition are justified and in many cases absolutely necessary. This is probably the first time that anyone has compiled an extensive analysis into what is actually needed to operate an institution of higher education and why all these factors have an important role in providing a high-quality educational experience for students. According to Ehrenberg, basic operations at a college or university are not the only factors that cause costs to rise. Public demands for selectivity also contribute to rising tuition rates. In his concluding chapter, Ehrenberg writes, 'In our increasingly winner-take-all society, each institution understands the importance of remaining among the set of institutions considered truly selective. Hence, each strives to maintain or improve its position, rather than reduce its costs' (p. 265). Referring mainly to the private, highly selective institutions, here Ehrenberg points out the inheritable nature of both the institutions and the American public who will sacrifice literally thousands of dollars in order to be among an elite and selective set of the population. This is not just seen in higher education, but in many aspects of American culture where individuals will pay a significantly higher price for brand-name products ranging from cars to clothing lines in an effort to be categorized as elite.

In a time when the economy is staggering and the depressing news

of unemployment rates fill the nightly airwaves, Americans are seriously questioning the prices associated with all consumer products, including higher education. Rising tuition costs plague thousands of families every year, and the prospect of the rates increasing even further in this faltering economy has many wondering what are they actually receiving in return for the high price tags. Ehrenberg's Tuition Rising tries to explain what is going on behind the scenes at a college or university in order for them to justify how their rising costs are beneficial to the student body and the American public. Although the book is very insightful into the processes behind tuition rates, a majority of the information provided is limited to those who are seeking an educational experience at one of the most selective institutions in the country. This leaves the largest market of educational consumers still in the dark about why their particular college or university is continuing to see higher tuition rates year after year. For a thorough investigation into these remaining questions, Tuition Rising can serve as a great starting point for anyone interested in pursuing this kind of research or for the students and families who just want some answers before paying the bill.

REFERENCE

Baum, S. and Ma, J. (2008) *Trends in College Pricing*. Washington, DC: The College Board.

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