



The Investment We Cannot Afford Not To Make

The problem of the financial support of higher education is a crucial one. It deserves penetrating analysis and widespread discussion. In each institution the analysis has surely been under way for many years; but more recent attempts to assemble the facts for many institutions and to discover the basic similarities and the general national trends have prompted wide discussion.

Two facts emerge: 1) On a national scale enrollments have been rising sharply; and 2) costs per student have been rising. In both cases the rates of increase have been larger than the rise of the Gross National Product. Hence a rapidly increasing portion of the GNP is being, and must continue to be, allocated to higher education. It is now about 2 percent.

Though these rising costs are alarming to many—as is pointed out in the special report, “The Plain Fact Is . . . ,” which begins on the next page—they must be viewed in the light of McGeorge Bundy’s comment, “. . . the American campus ranks with the American corporation among the handful of first-class contributions which our civilization has made to the annals of human institutions.”

In other words, the American system of higher education is worth to our society far more than it costs. It will pay us to continually increase our support of higher education as one of the best—if not *the* best—investments that our nation can make.

To those who might say we cannot afford these costs, I reply, “We cannot afford *not* to make this investment.”

Clearly, however, the rising costs do present a challenge of finding new sources of funds to keep higher education growing and especially to keep improving it.

There are, of course, only two sources of funds—voluntary contributions and taxes. Both must continue to increase at a rate adequate to meet the needs and to meet the growing opportunities to enrich our society.

State and local taxes must continue to be the mainstay of the public institutions. Federal funds should continue to support the national services that higher education renders, particularly advanced education and research. Private funds must play the essential role in supporting private colleges and universities.

Because of the rapid growth of public institutions, and because of the rapidly increasing costs of graduate education and research, tax funds will surely be needed to underwrite an even larger fraction of the total bill for higher education. But for the private institutions, rapidly rising contributions from the private sector are urgently required. Both to meet their needs and to preserve their precious independence, the private institutions must seek far greater philanthropic support.

It is inconceivable that a well-to-do society will neglect those great institutions which have contributed so mightily to make it well-to-do and which will contribute even greater increments in the future.

“A crisis in higher education?” Yes, perhaps. But a crisis of such a nature that it only becomes a great challenge.