

Introduction

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Higher education in the United States has reached a turning point. A decade ago many students, parents, and policy makers could point to Ivy League schools or public research universities such as the University of California at Berkeley as evidence that the US had the world's greatest higher education system. In this conventional view, the only major drawback of the American system was that some students might struggle to pay for their education, although this problem could be solved with limited, targeted student aid programs.

In recent years, however, the consensus around higher education has been shaken, and a view has taken hold that Americans should look abroad for education policy solutions. This change has been driven by concerns that college prices have increased to such a point that even middle-class families are shut out. Stories in the media that ask whether a postsecondary education pays off in higher earnings are ubiquitous.¹ Many observers see rising student loan debt and stories of students struggling to repay as symptoms of unaffordable prices and the diminishing payoff prospects from overpriced degrees.² Others worry that the US has fallen behind other countries in competitiveness because of high dropout rates, or that other countries better match their higher education systems to needs in the labor market and therefore achieve higher job placement rates.³

As a result, observers of higher education in the US are increasingly inclined to cite systems and policies in other countries to make the case for reforms they support at home. The implication is that other countries have solved some of the big challenges that still plague the higher education system in the US, and if only we were to import their solutions, we could achieve similar results.

It is true that the US has much to learn from other higher education systems. However, advocates and researchers rarely examine the broader context in which such policies are embedded, how they evolved, or the inherent trade-offs of adopting a particular approach. Too often, alternative policies are presented as silver-bullet solutions that can simply be lifted from one country and

grafted onto the US system. Unintended consequences that may arise from such a shift are glossed over or even ignored. In some cases, proponents are unaware of these shortcomings or trade-offs; in others it is implied that the US somehow can avoid negative consequences by taking only the “good parts” from international models.

This book attempts to provide a more balanced and honest perspective on how different countries approach key higher education policies. Specifically, it attempts to highlight the trade-offs that these policies entail and makes the case that similar trade-offs emerge across many countries with different types of higher education systems, suggesting that competing priorities and unintended consequences are not easily avoided. In contrast to those who present international policies as silver-bullet solutions, the authors point to a natural tension between access, cost, quality, equity, student affordability, and administrative feasibility. Different higher education policies are not off-the-shelf solutions that can be transferred from one country to another; rather, they represent a balancing of competing priorities in response to specific conditions, circumstances, and values. Taking a broader view of international models highlights how the implicit values on which the US higher education system is based make borrowing policies from abroad more difficult than reformers suggest. Similarly, American readers may be surprised to see how our own system offers some unique advantages over international models and designs.

WHICH ISSUES BENEFIT MOST FROM INTERNATIONAL COMPARISONS?

Tackling a topic as broad as international higher education creates some editorial challenges. With 192 countries, vastly different government structures, and continuously changing higher education sectors, there are undoubtedly more topics of interest to US audiences than can fit into a volume that maintains some level of thematic consistency. With such a broad topic, a natural response is to focus narrowly on higher education in only one country or region. Such an approach, however, raises the same “cherry-picking” problems (i.e., pointing to specific systems or policies that appear to “work” without examining the larger context) that this volume hopes to address. Instead, the volume takes a dual approach. First, it focuses on a set of cross-cutting policy topics that are central to all higher education systems, such as tuition policies, the role of private institutions of higher education, and college access policies, and it provides a broad examination of the range of different policy approaches to each topic. Three single-country case studies then illustrate the policy trade-offs from higher education systems and reforms in a particular country.

The topics featured throughout this volume were chosen because they are particularly salient for contemporary debates in the United States. Not surprisingly, the book therefore places a heavy emphasis on issues of higher education finance and access to education: free tuition and cost-sharing policies; student loan systems; policies that determine who has access to higher education and who enrolls; and what role, if any, private nonprofit and for-profit institutions play in higher education systems abroad. The emphasis on financial issues is intentional for two reasons: (1) because it is often the starting point for many of the contemporary debates in the US that invoke international comparisons and (2) because many observers in the US view finance as the most obvious and consequential way in which US higher education policy differs from those in other countries. But the chapters in this volume also feature discussions of accountability, regulation, governance, vocational education, and even the role of research in higher education systems, as it is difficult to examine financial models for higher education without taking these factors into account.

COMPETING PRIORITIES IN INTERNATIONAL MODELS

A brief discussion of the topics and case studies in this book shows why examining international higher education policies through the framework of trade-offs can inform the most salient debates in the United States. Consider the debate in some US states, and to a lesser extent at the federal level, over making public college tuition-free. Some state and federal lawmakers (as well as some presidential candidates) have responded to concerns about access, equity, and affordability by calling for the federal and state governments to adopt free college policies. They frequently highlight countries—Sweden, Denmark, and Germany, for example—that provide publicly funded, tuition-free college as evidence that these policies are not only desirable in the US but feasible as well.⁴

While such advocates acknowledge that providing access to public universities without charging tuition is costly for governments, they rarely discuss how these costs lead lawmakers to sometimes limit enrollment and how this in turn leads universities to become more selective. The restrictions on capacity that therefore often accompany free tuition policies usually mean that only the most academically prepared students, most of whom tend to come from upper-income families, have access to public universities, which is precisely the outcome that free tuition advocates seek to avoid.

Trade-offs between access, quality, and the price of college arise frequently in this volume. Debates in the US that sidestep this tension miss one of the more counterintuitive trends in international higher education. In an effort to ensure

both access and quality, many countries have moved away from tuition-free models in favor of charging students and families at least some of the cost of their education and have used the proceeds in part to meet the rising demand for higher education.⁵ In the United Kingdom, adopting a cost-sharing model (i.e., charging tuition) in the 1990s increased overall college enrollment rates, including from traditionally underrepresented and low-income student groups.⁶ Contrary to some popular narratives in the US, experience elsewhere teaches that tuition can help *increase* access to higher education. Conversely, some countries—notably Germany and Chile—that previously had fees have recently reverted back to free tuition. This volume shows how such examples offer complicated lessons for those interested in adopting such policies in the United States.

Similarly, popular media accounts commonly note that US institutions need to do more to ensure that low-income students can access high-quality public universities.⁷ Advocates are quick to point to policies in other countries that increase access and argue for their implementation in the United States.⁸ While such policies may indeed make higher education more available to underrepresented groups, they are often accompanied by unintended consequences.

For example, in Australia, as chapter 7 explains, policy makers' decision to eliminate enrollment caps at public universities expanded access, but per-student funding levels have not kept pace with the enrollment growth. Lawmakers have not boosted funding to accommodate the influx of students, nor have they allowed institutions to charge more in tuition. Some of Australia's most elite public universities now argue that they have had to sacrifice quality. Other chapters in this volume show that Australia is not alone in this regard: countries that aggressively pursue enrollment increases often struggle to stretch limited university resources to cover the additional costs of adding students. As higher education systems continue to "massify" around the world, more countries are having to wrestle with similar trade-offs that come with adopting more open-access policies, as the US has done for a long time.

This book is also intended to address another blind spot in many policy discussions regarding international models: namely, that most focus only on public universities.⁹ Yet many countries, including Japan, South Korea, Brazil, and Chile, have relied on robust private higher education sectors to expand access. They have often done so partly to achieve cost savings, especially in Brazil, where tuition is free at public universities. Providing students with government aid to attend fee-charging private institutions increases access to higher education without the high costs for the government of enrolling more students in tuition-free public universities. In some circumstances, at least, the private

sector may be better equipped to address the increasing demand for access to higher education.

Additional lessons in the role private providers play abroad are also featured in this volume. Many in the US education policy community view for-profit institutions skeptically, and that has fueled calls for tougher quality assurance policies. Other countries with large private sectors have adopted their own approaches to accountability policies. Chapter 8 of this volume examines Brazil in detail because that country shares some elements of the US system but breaks from it in others with respect to for-profit institutions. In general, Brazil has been able to maintain a for-profit sector comparable in quality to its public institutions by keeping relatively high enrollment standards. Even so, Brazilian policy makers still worry that many students fail to repay their loans from these institutions and have adopted other policies to address such concerns. Some of the policies implemented in Brazil will look familiar to US audiences, but others may prove surprising.

The policy debate around the US student loan system includes frequent calls to import policies from abroad.¹⁰ In response, this volume brings in an extensive discussion of why the features of a country's student loan system should not be viewed in isolation, as they often are in US policy discussions. For example, the Australian student loan system is routinely lauded by US reformers, including the economist and Nobel laureate Joseph Stiglitz, who prominently called it "a model for the rest of the world."¹¹

Here again, vital information on the context and trade-offs of such policies is left out when supporters make the case for implementing a similar policy in the United States. Australia's income-contingent loan system, which historically did not require borrowers to repay until they earn over approximately AUD 55,000 (or roughly USD 47,500), worked well because until recently the program was restricted to bachelor's-level education and above, and the number of students that universities could enroll was capped at a level that was low compared to that of the United States. Since universities primarily enrolled only the most academically prepared students, who graduated into a labor market in which the constrained supply of college degrees ensured they would earn a premium wage, students were likely to repay their debts. The program also limited borrowing to tuition, while the US allows borrowing for living expenses as well.¹² This underlines a more general point: when other countries' policies appear both more generous and affordable than American ones, it is often because they are being offered to a much more restricted and elite population than they ever could be in the United States.

Carefully considering the opposing priorities in higher education systems abroad can also change the way reformers view the US system. Policies that other countries might adopt to solve a particular problem or achieve a certain goal can sometimes be at odds with implicit values on which the US higher education system rests. Other countries may not place as much weight on these values, therefore making it easy for them to structure their systems in ways that would be widely unpopular in the United States. That the US system implicitly makes trade-offs in terms of fundamental values may not be obvious to policy makers until they consider the merits of borrowing a policy from abroad.

For example, many students in Brazil's higher education system are enrolled in for-profit institutions, and policy makers there have worried whether students who receive government-issued student loans to attend these institutions will repay the debt. This is quite similar to the current policy environment in the US. But unlike the US, Brazilian policy makers imposed stricter eligibility criteria on *students* in addition to the colleges themselves in order to bolster quality assurance. Students can receive the federal aid only if they score above a certain level on a national high school exit exam. In other words, the policy seeks to prevent certain students from receiving loans to attend a for-profit college. The US would be unlikely to adopt such a policy, because it runs contrary to the view that access to college should be open, should not be contingent on test scores or merit, and should offer a "second chance" for students who attended low-quality elementary or secondary schools. In the US, it is institutions of higher education, not students, that should be subject to quality assurance standards.

This case illustrates that sometimes the "looking abroad" approach shows that a public policy from another country is a poor fit for the values that undergird the US system. That is, the problem identified in the US higher education system exists not because policy makers are unaware of the successes another country achieved by adopting a particular policy; rather, US policy makers are unwilling to adopt the policy solution despite its success, because it runs counter to deep-seated values.

Other contributors to this book discuss access policies, such as tracking in Germany or lotteries in Denmark and France, that would likely not sit well with US policy makers. German students are placed in an academic track that leads to a university education at age ten, and while, in theory, students can change tracks later, few actually do. Tracking tends to break down along socioeconomic lines, perpetuating educational stratification. Denmark and France ration access to some programs or professional training, such as medicine, by awarding slots to qualified students via lottery. This volume helps to explain why US policies stand

in such contrast to some of those abroad. The US tends to place a higher priority on choice, second chances, and broad access to higher education regardless of test scores and academic achievement than many other countries. Examples like this are illustrated throughout the book.

THE CHAPTERS AHEAD

Part 1 of this book addresses the trends and policies that have shaped higher education systems in non-US countries. The first two chapters focus on tuition and “cost-sharing” policies in other countries. In chapter 1, education journalist Jon Marcus of the Hechinger Institute covers some of the challenges that European countries have historically experienced related to access, quality, and student debt, despite their free tuition policies. For example, in Germany, free college has increased enrollment but has overstretched resources and is threatening quality. Marcus also explains how Denmark, a country with one of the highest tax rates in the world, is scaling back its free tuition and living stipends as a growing share of the population seeks access to higher education. He goes on to cover some surprising similarities between the US and the European countries that offer free tuition. Only 14 percent of children from the least-educated families in Norway go to college compared to 58 percent of children from the most-educated families. Those figures are nearly identical in the United States. It turns out that free college is not an antidote to student debt either. In Sweden, which is perhaps the most commonly cited country among free college advocates in the US, approximately 85 percent of students incur debt, and the average debt level is approximately \$20,000 due to cost-of-living expenses not covered by the government. Marcus juxtaposes these cases with the success the UK has had using an aggressive outreach strategy to boost enrollment among underrepresented groups.

Marcus points to not just the policy challenges of free tuition but also how those policies are coming under increasing political scrutiny. In chapter 2, Bruce Johnstone of the State University of New York at Buffalo charts the global trend toward more cost-sharing in higher education. While US audiences might think the US is an outlier for its ever-rising college tuition, many countries have scaled back generous tuition subsidies over the past two decades as they seek to cover the cost of providing higher education to larger shares of their populations (a process that goes under the somewhat unwieldy term “massification”). Johnstone explains that developed countries face another set of pressures on subsidized tuition: aging populations and the programs that provide for their health and income security in retirement.

Chapter 3, by Daniel C. Levy of the State University of New York at Albany, breaks from the focus on tuition policies to examine the role of private institutions in other countries. He explains how, historically, higher education systems in other countries relied overwhelmingly on public universities, but that has changed in the past several decades. Private institutions collectively enroll about a third of students globally. The chapter explains what led policy makers to expand private higher education and how they have managed the different challenges that private providers entail.

Anna Mountford-Zimdars of the University of Exeter writes in chapter 4 about the different ways countries determine who has access to higher education. She argues that there may be no single best access policy and that systems that use different approaches to admissions and outreach can end up with similar results, good or bad. She also details how countries with different access policies have a limited impact on breaking down economic and class barriers that are reinforced in the elementary and secondary school systems.

In chapter 5 Alex Usher of Higher Education Strategy Associates takes a close look at different structures for student loan programs and how these designs can reflect and influence other policy goals such as access, affordability, and equity. Much attention has justly been given to those countries that have coalesced around a model of income-contingent loans collected through the tax system. While these systems are undeniably interesting because of their efficiency, Usher cautions that these models are predicated upon certain features of these countries' tax systems that are not easily exportable to the United States. But while loan collection policies are important, there are a host of other policy design issues related to loan eligibility that have equally if not more important effects on access, and on these measures the US system stands out as being relatively generous.

Part 2 presents three case studies. Each features a country that has experienced significant change in its higher education system and offers a concrete example of the many themes discussed in the previous chapters. The first case study, by Andrés Bernasconi of the School of Education at the Pontificia Universidad Católica de Chile, analyzes the recent free college policy adopted in that country in the wake of massive student protests. The promise proved ambitious, and policy makers ultimately settled on providing free college to students from the bottom half of the income distribution, many of whom received generous aid before the new policy.

The second case study profiles the Australian higher education system and recent reforms. Vicki Thomson, chief executive of the Group of Eight in Australia, offers insight into the trends and pressures that led the country to adopt a

“demand-driven system” for its public universities in 2012. That change increased enrollment as intended but with many unintended consequences.

The final case study returns to Latin America to trace key policy developments in Brazil’s higher education system. Dante J. Salto, a fellow at the National Scientific and Technical Research Council (CONICET) Universidad Nacional de Cordoba (UNC-Argentina), discusses what led Brazil to rely so heavily on private institution of higher education. He notes that policy makers on the political right and left have historically subsidized the private sector to expand enrollment. This is despite the fact that the private providers are dominated by for-profit institutions. While some in Brazil worry about the quality of these institutions, the fear of reducing access to higher education for lower-income students tends to take precedence over tough oversight. Moreover, many for-profit providers produce student outcomes that are on par with public institutions.

In the concluding chapter, editors Jason D. Delisle and Alex Usher outline a number of ways that the US higher education system produces results that are in line with, or even superior to, those in other countries. This provides an important reality check on the motivation that many reformers have to examine policies from other countries: that other countries are outperforming the US. The remainder of the concluding chapter is devoted to applying the lessons and themes from the chapters in this volume to specific policy debates in the United States.