

Higher Ed's Health Is Not Well | From the Bell Tower

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With all our distractions, higher education issues sometimes evade the average academic librarian's radar screen. Last week yielded some news worthy of our attention.

With the students still on their winter break, amid the abnormal quiet of the library, academic librarians are busying themselves preparing for the spring semester. Planning for instruction, programming, and getting technologies ready for the masses takes considerable time. Then we were distracted by other events. Many of us gave thought to the sad and untimely death of Aaron Swartz and took time to read the dozens of news reports and commentaries that followed. We reflected on why it happened and shared our insights into what it might mean for the future of information freedom and open access. We can only hope that some good will come of something so unfortunate. Perhaps for relief, others of us debated more trivial matters, such as why some librarians get to do all the libraryland conference keynote talks while other highly deserving colleagues are perpetually ignored. Quite the travesty indeed. Amid all this activity, we might have missed some important higher education news that overshadows our concerns about the future of our own academic library enterprise. Folks, we could be headed for trouble.

Bleak outlook

Also capturing our attention last week was news of a severe flu outbreak across the nation. Despite the availability of preventive flu shots, we must be too distracted to pay attention to the advice to get vaccinated. As a result, the physical health of our nation last week was not well. You could say the same for higher education. Every year the Moody's Investor Services releases a 12-month outlook for higher education. For the past two years, Moody's reports have indicated serious concerns about the stability of the higher education industry but continued to offer a positive forecast for the elite public and private institutions. [This year, however](#), owing to what it sees as "diminished prospects for revenue growth, given mounting public pressure to keep tuition down, a weak economy, and the prospect that a penny-pinching Congress could cut financing for research grants and student aid," last week Moody's has shifted its overall financial outlook for higher education into the negative zone. Even for the elites, it warns of weakened financial health.

It's a truly pessimistic report. [Moody's sees not even a ray of positive light shining anywhere in traditional higher education](#). You might be thinking that day to day your institution's financial health is good, but if it decides to go for a big loan, it might find the interest rate is too high. Issuing a bond could be a problem as well, if investors are frightened away by Moody's report. What might be of more interest to us is Moody's recommendations that higher education needs to eliminate or reduce tenure, leverage online learning to reduce costs, and, in general, "be bolder" to create change. Given the pace with which change happens at traditional institutions, we might be in Moody's doghouse for quite some time. Perhaps the only positive takeaway is that [a Moody's official confirmed](#) that they don't believe higher education is a bubble about to burst. Perhaps that will cut down on the number of higher education critics who claim just the opposite.

MOOCs Move Forward

The other attention-worthy development was a small but perhaps significant piece of progress in the merging of MOOCs with mainstream higher education. In a way, it ties neatly into the bomb that Moody's dropped, because it acknowledged the impact MOOCs (massive open online courses) are likely to have as a form of affordable competition for traditional higher education. Moody's advised higher education's leaders to explore online options as a cost-saving measure. As MOOCs have gained global attention, the big question always comes back to revenue. If the point of MOOCs is to offer free higher education courses, how do you make money off of them? The response to date is a "let's do this now and worry about monetization later" attitude. Experts have identified multiple potential revenue streams. One of them became more evident last week when California's [San Jose State University agreed to have Udacity](#) provide its students with remedial and introductory courses. In a unique arrangement, San Jose's faculty will partner with Udacity to develop the courses, and they'll be available at low cost (\$150) to any student seeking credit—or free to all others. With a higher education meltdown developing in California, [Gov. Jerry Brown makes it clear he wants to explore what Udacity can offer](#). Both the California State University (CSU) and University of California systems may get funding to put high-demand courses online via MOOC providers.

Game over man

The reaction to these events in the media and among the professoriat was, in some cases, extreme. CSU's move [inspired one writer to claim "game over"](#) for higher education. He even provides a time line for the end of higher education as we know it, with the elite institutions managing all of it in the form of mass online education, with perhaps a few niche colleges offering the "classic" education experience for those few who can still afford it. It's a scary vision, and the bulk of faculty have little future in it. How are they reacting to these events? You know it's serious when [faculty react as strongly as this group did](#) in their essay about why MOOCs will destroy higher education as we know it. Are they concerned about the quality of higher education being degraded, or mostly worried about losing their jobs? Either way, the reaction is probably overblown, and the same could be said of the reporter who thinks he knows where this is all headed. MOOCs will likely find their place in the higher education structure, along with community colleges and liberal arts colleges. As with many other innovations, it doesn't mean the earlier delivery systems will disappear. Our long history with higher education demonstrates there is room for many alternative approaches, but whatever emerges, it must have a plan for financial viability.

Big demographic change ahead

If the impending downfall of higher education as we know it wasn't enough, [the demographic outlook for America's college-age population](#) added complexity to the picture. While the news may look good, the details suggest that even demographic change will challenge traditional higher education. As the number of traditional white, 18- to 22-year-old students barely increases, there will be significant growth in the number of black and Hispanic students. The outlook for potential student growth is a positive indicator, but the new majority will bring more low-income, tuition-challenged students who are frequently underprepared and in need of remedial education. Another influx of adult learners, those attending part-time or mostly online, may signal a decreased need for traditional full-time faculty. The latest numbers from the National Center for Education Statistics (NCES) add yet another dimension of uncertainty to the future of higher education. It's hard to read whether the demographic change will help or hurt higher education. What may matter more are the higher education options being offered and how well they adapt to the needs of a changing population.

Going downhill

There were other news items that surfaced last week, if interpreted in a certain way, that might have you feeling even more pessimistic about higher education's health. While this one might be just another in a long line of silly trends that get traditional college students far more excited than anything happening in the classroom, [this new way to support your college team](#) may have us pondering higher education's current health and long-term outlook. At least the students are thinking critically about how to help their sports teams. I usually try to avoid being the bearer of bad news, but after last week's events, it was unavoidable. Yes, higher education is facing some challenging times ahead, but it seems like that's been the new normal for many of our public universities for quite a few years now. Somehow higher education has persisted and will likely continue to do so. That said, it would be foolish for us to assume things can keep going just the way they always have. If the change doesn't happen from within, as last week's news suggested, it can be forced on us from the outside. Now, if we could get our students to creatively show how much they support their academic library, I might be feeling better.



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