

CHAPTER III

ALLOCATION OF HIGHER EDUCATIONAL COSTS

Two Phases

The allocation of higher educational costs ties up closely with the purposes for which such education is maintained. The three purposes which have been found to be cultural, political, and economic, bring up the question as to what the sources of support for higher education are and how these sources ally themselves with the purposes. The present sources of support together with the proportion that each bears to the whole and to each other have just been examined. The question now arises as to whether they and their present interratios are satisfactory in view of the purpose for which higher education is being conducted, and if not, what would be a proper ratio, and how could such a ratio be established?

In the allocations of higher educational costs there are two phases to be dealt with:

1. The allocation to society, to the philanthropist, and to the individual who is the recipient of the education.
2. The allocation within the institution among the various schools, faculties, classes, and individuals attending; these costs to be allocated proportionately to the purposes which such education serves.

Costs and Increased Enrollments

The number who have availed themselves of the opportunity for a college or university education has been steadily growing and causing our educational equipment to become inadequate. We have adhered to old views without any regard for the changing phases of our social and economic organization. The increased costs due to greater enrollment and more expensive educational equipment have not been fully taken into account in fixing charges for educational services. The result has been a call for additional endowments and larger appropriations. This naturally has raised questions concerning the advisability of investing more money in higher education. It has resulted in developing three points of view as to what proportion of this cost society and philanthropy should bear and the charge for tuition or the price that should be paid by the individual receiving the university or college education. There is necessarily a ratio here between the benefits received by the different parties contributing to the support of higher education and the proportion of the cost paid by each. Whether this ratio is a true or false one has never been determined, nor has the problem ever been scientifically studied.