

Abbreviated Summary: 80 Year Perspective

High School Student Pursuit of Next Stage Education and the Student Debt Crisis

1945: GI Bill Helps Send Millions of Returning WWII vets “to college”

1945 to 1985: The 4-year degree becomes iconic, deeply entrenched in the American Psyche

The Degree becomes a proven pathway to far greater career success and “any degree will do”

The degree is affordable for families of even modest means

Mid 1980s: The US Economy Transforms Rapidly to a Knowledge Economy

The digital era arrives. The Manufacturing Economy suffers cataclysmic decline

Employers in the Knowledge Economy do care about degree-based knowledge

The era of the upside-down degree arrives; a degree that cannot justify its own cost.

The vision of the Renaissance History major flipping hamburgers become iconic

Despite clear evidence that the 4-year degree does not deserve sacred cow status, the Myth continues, aided because college degrees are affordable...a mistake is survivable.

Approx 1995, cost of 4-year degrees begin to skyrocket, far higher than the rate of inflation, higher than can be explained any way other than university hunger to expand.

Public school K-12 philanthropy is rendered impotent in relation to meaningful scholarship support at a level that offsets the new college cost levels.

Middle income students and their families have no alternative but student debt, and through government loan options and lowered credit standards, the gate to student debt opens wide.

By any cost-benefit measure, the student debt program is a disaster, arguably a national disgrace. 45 million debt holders. \$1.7 trillion in combined debt. Over 60% delinquent, at least 20% essentially written off, more to come. **AND, 40% of debt holders have dropped out of college.**

Without doubt **the assumption is shattered that a 4-year degree will automatically lead to success and capability to repay the debt**, but even today defenders bemoan anything that sounds like degree bashing, assuring new pockets of misguided believers.

Collective fear about the road ahead: The vast majority of effort and dollars aimed at “fixing” the student debt crisis are focused on reparation of the aggrieved. Little being done to patch the breach in the damn that is allowing new millions to face the same dilemma.

An Epiphany and a Solution. Advanced Guidance Counseling: The huge statistics involved make it all sound like a pandemic in the education field, but there is a vast difference vs a medical pandemic when thousands at a time are infected.

Every student debt holder signed a loan agreement. At that point the borrower – often a family – believed they had a plan to **BORROW, LEARN, EARN, REPAY**. 80% of those plans were flawed, by definition. Reasons range from personal knowledge and qualities to financial awareness and savvy to prediction of a solid career goal, to understanding the educational path that can lead to the career.

It is a complex decision, but one that can be addressed by “Advanced Guidance Counseling”, built around today’s data science and the analytic and predictive capability of Artificial Intelligence.

It can also encompass the often ignored need for career counseling and financial support for those not planning to attend a 4-year degree.

Development of Guidance models is underway in various places. We have the ability to pick and choose collaboration partners and to build elements ourselves. The result can be game-changing.

The Union City Education can see the critical role of advanced guidance and is in a position to actively assist in bringing it to life. This early project will enhance our ability to raise donations and building funding for the other critical objectives.

- **Greatly increased scholarships amounts, including non-4-year degree alternatives**
- **Support of teacher effectiveness, morale and retention**
- **Addition of critical technologies to curricula.**

A Union City Education Foundation White Paper: bc 10-30-24

