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DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

Washington, D. C.

Interview of

MR. PETER P. MUIRHEAD
Associate Commissioner for Higher Education
U. S. Office of Education

by

MR. HERMAN R. ALLEN

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1 MR. ALLEN: Mr. Muirhead, if you were to pick one
2 development or trend in the past five years of Higher Edu-
3 cation history, what would it be?

4 MR. MUIRHEAD: Mr. Allen, I would like to kind of
5 put this into focus in terms of my own experience here in the
6 Office of Education.

7 I was privileged to work in the Office of Education
8 during what I considered to be perhaps the most significant
9 period in higher education, insofar as the Federal interest
10 is concerned, and to work rather closely with Commissioner
11 Keppel during the period when so many of the landmark legis-
12 lative proposals were being enacted by the Congress, 1962
13 through 1965.

14 Reviewing that period and trying to draw from that
15 a direct answer to your question, as to what is the most sig-
16 nificant development or trend in the past five years of higher
17 education, I would be inclined to think the most significant
18 development has been the awakened interest of the Federal
19 Government in the support of higher education.

20 The Federal involvement in higher education, of
21 course, has been with us for quite a long time. As you know so
22 very well in your work with the land grant colleges, we have
23 been supporting higher education in one way or another for
24 over 100 years.

25 Much of that support, however, has been of a

1 categorical nature. During the period immediately preceding
2 World War II, during World War II, and the period immediately
3 following World War II we had a very significant involvement
4 by the Federal Government in support of higher education, but
5 largely it was directed towards using the strength and purpose
6 and the expertise in higher education to serve the Federal
7 mission, basically through the support of Federal research
8 programs to serve the needs of the Federal Government.

9 I would say, Herman, that in the period of the last
10 five years we have witnessed a change in the emphasis of the
11 Federal interest in higher education directed toward two
12 rather significant goals, one of opening up higher education
13 opportunities for disadvantaged young people, people coming
14 from families who can't afford the cost of higher education,
15 and the other is a rather halting advance towards supporting
16 colleges and universities in the carrying on of their own
17 mission.

18 So I would be inclined to say that the most sig-
19 nificant development in higher education in the last five
20 years has been the awakened interest of the Federal Government
21 in the support of higher education directed toward the mission
22 of higher education, rather than directed toward the mission
23 of the Federal Government.

24 MR. ALLEN: Do you see any particular pattern that

1 MR. MUIRHEAD: Yes, I think there is an emerging
2 pattern. Ideally we might expect the Federal Government to
3 provide assistance to colleges and universities and to pro-
4 vide it in such a way that the higher education community
5 itself would decide how to use those funds.

6 We haven't reached that point precisely as yet.
7 But if you were to outline on the wall here the various pro-
8 grams that we have in support of higher education, and stand
9 back a little bit from the wall, I think you would see emerg-
10 ing there a kind of mosaic which would indicate that there is
11 a thread of consistency, if you will, running through the
12 Federal interest in higher education, directed toward the
13 strengthening of colleges and universities.

14 Let me illustrate. There is a very significant
15 program that was enacted in 1963 called "The Higher Education
16 Facilities Act". That was intended to help colleges and
17 universities build the classrooms that were needed to accommo-
18 date the sharply increasing higher education enrollment.

19 In the National Defense Education Act, which was
20 amended in 1964, we have a very sharp increase in the Federal
21 support for the training of college teachers, or the Graduate
22 Fellowship Program.

23 In the Higher Education Act, enacted in 1965, there
24 is included in that a stepped-up effort on the part of the
25 Federal Government to help young people with higher education

1 costs and a provision to lend a helping hand to developing
2 institutions, particularly those institutions that are pro-
3 viding higher education for Negro students.

4 All of those programs, I would venture to say, if
5 the economy and fiscal situation permitted it, the strengthen-
6 ing of those programs would lead us a long way down the road
7 toward a basic institutional assistance program. So although
8 we don't have a program that is directly aimed at providing
9 the colleges and universities with moneys which they can use
10 for the purpose they designate, the combination of categories
11 that are supported -- of which there are a great many more
12 than the illustrations I have just given -- would take us a
13 long way down the road toward an institutional mission oriented
14 type of program.

15 MR. ALLEN: Mr. Muirhead, what were some of the
16 factors that helped to bring this about, this present situ-
17 ation, the development of this mosaic as you call it?

18 MR. MUIRHEAD: I would say perhaps the most com-
19 pelling factor that brought about this situation was the
20 increasing aspirations of American parents, that their boys
21 and girls should have the benefits of higher education, in
22 much the same development that occurred in this Nation during
23 the period from 1920 to 1945, when high school education be-
24 came the birthright of almost every American boy and girl.

25 We are now moving to a point where by and large it

1 is the desire of the American society to see to it that every
2 young man and every young woman that can profit from higher
3 education should receive it. That, I think, was the climate
4 that we found ourselves in when the Kennedy-Johnson Admini-
5 stration took over. It wasn't easy to translate, however,
6 that climate of opinion to Congressional action, largely be-
7 cause there has been embedded in the American tradition a
8 number of inhibitions, if you will, against the use of Federal
9 resources in the support of education, and particularly in
10 higher education.

11 Some of those problems were, number one, the fear,
12 be it real or imaginary but nevertheless the fear of Federal
13 control. We have a deeply ingrained tradition, and one that
14 I think we cherish and want to continue, that higher education
15 in the United States should remain free and that there should
16 be autonomy and independence on the part of higher education
17 institutions. So there has been and probably will continue
18 to be a good deal of resistance to large-scale Federal involve-
19 ment in the support of higher education unless it can be
20 accompanied by complete assurance that the independence and
21 the autonomy of higher education institutions will be insured.

22 Now, I think that the Congress, largely as a result
23 of the advocacy of the Administration, came to realize that
24 Federal resources could be used and could be used effectively
25 without doing damage to that very important principle.

1 Another problem -- you might call it a shoal in
2 this channel that we are traveling through on the support of
3 higher education by the Federal Government -- is the church-
4 state question. The Constitution of the United States and
5 the First Amendment to the Constitution of the United States
6 very clearly prohibits the use of Federal moneys to foster or
7 to establish or to continue religion or establishments of
8 religion. This has always been and probably will continue to
9 be an inhibitor of the use of Federal funds in support of
10 education in this country.

11 Here again, we had a situation of a President who
12 was education-minded, who urged that every possible effort be
13 made to permit the use of Federal resources in the support of
14 education, in this case the support of higher education, with-
15 out doing damage to the principle of the church-state issue.

16 The Congress, I think, felt the time had come when
17 they had to take a very careful and considerate look at that
18 situation. They arrived at what you might call a compromise
19 on the matter. The Congress decided, in large part at the be-
20 hest of the Administration, that the time had come for us to
21 look upon higher education as a single, great, natural resource,
22 and that it was essential to the strength of our society, it
23 was essential to the growth, the intellectual growth, the
24 promise of individuals in our society, that we find some way
25 to strengthen and, as somebody said, "to shore up the leaky

1 brain pipes" in the house of education.

2 The Congress then said "Let us then provide assist-
3 ance to higher education in the United States, both public
4 and private alike; but let us see to it that in our efforts to
5 deal with higher education evenhandedly, that we don't inad-
6 vertently provide support for religion." So the compromise
7 that Congress arrived at was that they would permit the Federal
8 funds to be used in support of higher education, public and
9 private alike, but that there would be specific prohibitions.

10 For example, in what I think that magnificent
11 Facilities Program, the Congress decided that the Federal funds
12 could be used to build classrooms in public and private colleges
13 and universities alike, but that they could not be used to
14 build chapels, nor could they be used to help in the expansion
15 of schools of divinity. Quite obviously, the student aid
16 funds, be they through loans or grants or fellowships, could
17 not be used to help train ministers or priests or rabbis.

18 So with this rather sharply-defined prohibition in
19 the legislation, the Congress finally came out with their
20 interpretation that higher education in the United States
21 should be supported as evenhandedly as possible insofar as it
22 is serving the public purpose.

23 MR. ALLEN: You were recalling the other day the
24 extreme interest the Congress took in the Higher Education
25 Facilities Act. In fact, you related many of the things it

1 did to help shape that legislation, particularly the creation
2 of the State commissions.

3 Would you care to expand on that a little bit?

4 MR. MUIRHEAD: Yes.

5 If I may just turn the time clock back a little,
6 back to the time when President Kennedy submitted to the
7 Congress his Higher Education Facilities proposal, directed
8 at, as the name implies, the support of a program to help
9 build college classrooms or higher education facilities.

10 President Kennedy, of course, was influenced by the
11 church-state question. President Kennedy, our first Catholic
12 President, was probably more careful in his legislative actions
13 or his legislative proposals. He was more careful in support-
14 ing the First Amendment in particular, largely because he was
15 a Catholic. Because I think President Kennedy wanted to be
16 very careful not to have the impression go out that he was in
17 any way favoring his Catholic religion.

18 So in the proposal that he submitted to the Congress,
19 he proposed that the Federal funds be made available to both
20 public and private institutions of higher education, but that
21 it be made available only as loans, not as grants. This, of
22 course, was quite supportable under the Constitution.

23 The Congress, however, though by all means agreeing
24 that the proposal the President had submitted was quite in
25 accord with the church-state restrictions, the Congress felt

1 the President had not gone far enough. The Congress felt also
2 that the crisis facing higher education -- I think "crisis"
3 is best interpreted by saying the higher education enrollments
4 in this short period between 1955 and the early 1960's doubled.
5 That is as dramatic a way as any to point out the crisis in
6 higher education.

7 The Congress then felt that if we were going to
8 meet this crisis in higher education and provide classrooms
9 for the hundreds of thousands of young men and young women
10 who were seeking higher education, that we had to do something
11 more than let the colleges and universities borrow the money,
12 that there had to be some way in which the money would be
13 given in an outright grant in order to encourage them to build
14 the buildings.

15 The Congress then, after a great deal of debate and
16 very extensive hearings, arrived at what I think was a mag-
17 nificent adaptation of the Kennedy proposal for higher edu-
18 cation facilities, by saying that what is needed in higher
19 education is a combination of loans and grants and that this
20 combination should be made available to all colleges and
21 universities. So they changed the Administration's proposal
22 from one of being solely loans to a combination of grants and
23 loans and made it available to both public and private higher
24 education institutions.

25 In the process, they came along with what I consider

1 to be a very brilliant legislative stroke. The Congress, of
2 course, is very sensitive to the question of Federal control.
3 The Congress is equally sensitive to the allegation of pro-
4 viding support for religiously-related institutions.

5 So the Congress devised a procedure for the admini-
6 stration of higher education facilities that in my judgment
7 very meekly compromised those two questions in a very accept-
8 able manner. They said that the decision as to where this
9 money would be allocated, in the states to which colleges or
10 universities would receive the money would be made not by the
11 Federal Government but by a State Commission for Higher
12 Education, appointed by the appropriate official in the state,
13 in most instances the governor. In that way they blunted, in
14 my judgment, a possible charge of Federal intrusion or Federal
15 control.

16 Then on the matter of dealing evenhandedly with
17 public and private higher education, the Congress said that a
18 State Commission in each State shall be composed of represen-
19 tatives of all kinds of higher education in that State, public
20 and private alike, junior colleges, four-year colleges, uni-
21 versities. They wanted to be very sure that all facets of
22 higher education had a square deal in determining the prior-
23 ities for the use of this money.

24 That pattern which the Congress developed -- and it
25 was the Congress that developed it for the Higher Education

1 Facilities Act -- has proven to be a very effective one.
2 There is now for the first time in our history, in each State,
3 a State Higher Education Commission which is representative
4 of all the higher education in each State. So attractive has
5 that procedure become, that the Congress has embedded it in
6 a number of other programs that have followed since then.

7 For example, when the Higher Education Act was
8 passed, there is a special program there for the support of
9 continuing education or university extension, Title I of the
10 Higher Education Act. That is administered through a State
11 commission procedure.

12 When the Congress passed the Technical Services Act,
13 which is administered by the Department of Commerce, there
14 again they said this State commission concept is a very useful
15 one; let's put it into that Act.

16 I would expect that we would see the State commission
17 concept used increasingly by the Congress as they move farther
18 down the road to a more effective and certainly a more ex-
19 panded Federal support program for higher education.

20 MR. ALLEN: Mr. Muirhead, you have spoken of the
21 influence and the deep constructive interest of Congress in
22 higher educational legislation.

23 What about the influence of the Administration
24 during this same period?

25 MR. MUIRHEAD: Well, the influence of the Admini-

1 stration, of course, has been magnificent. The influence of
2 the Administration has been crucial in the development of an
3 effective Federal assistance program for higher education.
4 Never in our history have we traveled so far in so short a
5 time in translating the principles of equal education oppor-
6 tunity and the improved quality of our education, in trans-
7 ferring those two principles into action.

8 This has been, it seems to me -- and I probably am
9 not the most unbiased witness on this -- but it seems to me
10 this has been one of the great legacies that the Johnson
11 Administration will leave in our history.

12 There was, it seems to me, a confluence of factors
13 coming to bear at this time, an increased public awareness of
14 the need for improved higher education, a President who was
15 quite imbued and instinctively committed to improving edu-
16 cational opportunities for the disadvantaged, largely I am
17 sure, Herman, influenced in large measure by his own back-
18 ground.

19 I have been privileged in this job to work with
20 President Johnson and, of course, worked even more closely
21 with his aides. The thought that has been expressed over and
22 over again in the development of the education program has
23 been the idea that President Johnson has said so very many
24 times, that we have reached a point in history where an
25 education opportunity ought to be available to every boy and

1 girl in the United States who can profit from it.

2 The President, with all of the problems that are
3 involved in the Presidency, has found time and has taken the
4 time to inject his own personal philosophy and beliefs into
5 the development of the education program in the past five years.

6 I offer you an illustration of that, a proposal
7 that has now been enacted but took a good deal of concern
8 and worry and planning to bring it about, and a concern and
9 worry and planning that the President involved himself in.
10 I refer to the Guaranteed Loan Program, a program that has
11 tremendous promise in that it will make available to almost
12 all young people an opportunity to borrow under very liberal
13 terms money to help pay their higher education costs, and will
14 then permit them to pay it back over an extended period of
15 time.

16 It was not an easy program to get developed and
17 accepted, because it required the involvement not only of
18 the public sector, but the private sector of our economy.
19 In order for the Guaranteed Loan Program to be successful,
20 it required the vigorous and wholehearted participation of
21 the banks. I am developing this, Herman, because I want to
22 illustrate the personal attention that the President paid in
23 the development of this legislation.

24 I was privileged to meet with the President and
25 with a group of the leading bankers in the United States as

1 he made this proposal to them and solicited their support in
2 providing capital funds so that young people might borrow
3 from the banks. There was some reluctance on the part of
4 the banks to do this, because the interest rate paid by the
5 Government for these loans was not as attractive as the
6 interest rates that they might get from other enterprises in
7 the use of their capital funds.

8 I remember the very persuasive manner in which the
9 President pointed out to the bankers that loans of this kind
10 would pay them back handsomely in the years to come, because
11 they were investing money in young people that would probably
12 become their best customers. He told a folk story there --
13 I am sure it was from his own experience -- where after he
14 had finished high school that he, like so many other young
15 people of that time, really didn't know which way he was going
16 to travel. And he took a year off and went out to the West
17 Coast and walked around and finally decided that he wasn't
18 going to get very far unless he got a higher education and was
19 influenced in making that decision to quite a large extent by
20 his mother.

21 But the Johnson family at that time, as were millions
22 of other families in the United States, were having a diffi-
23 cult time. So he went to a local bank to borrow the money to
24 go to San Marcos. Only the President could tell this story.
25 He approached the banker and told him of his plans and his

1 needs, and the banker looked him up and down, as though he
2 wasn't much of a risk, but that he would let him take \$200.
3 He did borrow the \$200, and that was enough to prime the pump
4 and get him started in those days.

5 MR. ALLEN: In those days. (Laughter.)

6 MR. MUIRHEAD: Yes, in those days.

7 I remember so vividly when the President was telling
8 this story, he said after he had finished college he never
9 forgot what that banker had done to help and that all during
10 his adult life and all during his public life here in Washing-
11 ton he has kept an account at that bank, not drawing any
12 interest. He said in his rather whimsical way, "You know,
13 Mrs. Johnson has some business interests of her own, and they
14 come to me every once in a while and they ask me where would
15 be a good place to put \$100,000 for a while." He said, "I
16 don't have any difficulty telling them where to put it; you
17 put it in that bank."

18 Then he looked around the room at the bankers and
19 he wagged that big finger of his and said, "Gentlemen, I want
20 you to know that was the best damned loan that banker ever
21 made."

22 (Laughter.)

23 I think this is an illustration of the President's
24 dedication to the concept of extending educational opportuni-
25 ties to young people who can't afford it but who can profit

1 from it.

2 MR. ALLEN: Don't you think it would be fair to say
3 that at least some of these bankers looked at the thing from
4 a broader point of view than just future banking business;
5 they could see a national interest being served in higher
6 education, and do you think that sort of attitude is growing
7 in the private business and industrial world, the recognition?

8 MR. MUIRHEAD: Of course, I think so.

9 The bankers have, to their great credit, have
10 supported the Guaranteed Loan program even during the lean
11 period when the Government interest rate was considerably
12 less than they could earn in other sources. Fortunately, the
13 Congress is about to amend this Act and to raise the interest
14 rate so that it is a little more attractive for the banks.

15 But you do raise a good point, Herman, and that is
16 I think there is a growing understanding in the private
17 entrepreneur areas of our economy that the support of higher
18 education is indeed a "blue chip" investment; that the strength
19 of our economy and the strength of our society is so very
20 much dependent upon it.

21 I think Walter Heller, who was one of the chief
22 economists advising the President, did a great deal to bring
23 about a better understanding of that, both in the general
24 public and in the Congress.

25 I remember very well his testimony in support of

1 the higher education legislation, in which he pointed out in
2 a very persuasive way that the growth in our economy as meas-
3 ured by our Gross National Product, that they could identify
4 that in the past five or six years 40 percent of that growth
5 was directly attributable to increased education.

6 As this concept gets better accepted, then I think
7 we will see an increased appreciation of it in the private
8 sector and an increased willingness by the private sector to
9 lend additional support to higher education.

10 I think it is crucial that that should come about,
11 because even with stepped-up Federal support, which I think
12 is inevitable, it will avail us little if we don't have the
13 same maintenance of effort from all other sectors of our
14 society, be it state, local or private giving.

15 MR. ALLEN: In view of what you just said, I am
16 wondering whether you think the Congress, the Administration,
17 or both, are ahead of the country as a whole in their thinking,
18 or whether they are just about abreast of the national sentiment?
19

20 MR. MUIRHEAD: In the field of the support of
21 education, my own personal opinion is that there is a great
22 ground swell in the nation for such support. I think that
23 the general public has realized and the general public I
24 think has rather enthusiastically accepted the idea of that
25 part of our resources we put in to educating our young comes

1 back to us manyfold, not only in the personal satisfactions
2 that it brings to our citizenry and the form of life that it
3 provides them, but it strengthens the fiber of the economy
4 itself.

5 I think the Congress reflects very well the public
6 mood in that respect. There are times when you must feel,
7 and I know I feel, that the Congress is perhaps running behind
8 the public mood. But if we stand back far enough from the
9 fray, I think you sense, at least I do, that the Congress is
10 indeed a good mirror of the public attitude and the public
11 willingness to support education.

12 I look at the situation today with rather tight
13 budgets, with the Appropriation's Committee actions, that
14 might lead you to think that we are relenting or that we are
15 moving back from our obligations in support of education, but
16 I think against the background of the troubles that face the
17 nation today, against the background of the other costs they
18 have, the costs of the war in Vietnam, the costs of the war
19 against Poverty, the costs of keeping a vibrant economy to
20 maintain a good balance of payments, it is probably under-
21 standable why the Congress has had to take the action they
22 have taken in our Appropriations Committees.

23 Perhaps a better measure of the Congressional de-
24 sire and a better measure of the Congressional interpretation
25 of the public mood is to watch what the Congress does when they

1 authorize new legislatinn.

2 As we both noted the other day the United States
3 Senate considered what is by a long shot the most compre-
4 hensive piece of higher education legislatinn that has ever
5 come before the Congress, the higher education amendments of
6 1968, and they reauthorized a very far-reaching piece of
7 legislation for four years, and they did it by a vote of 83
8 to nothing.

9 MR. ALLEN: You can't be much more unanimous than
10 that.

11 MR. MUIRHEAD: Right.

12 MR. ALLEN: Well, generally, I think I understand
13 you to be saying, it is more or less a single package of
14 public commitment and effort by the Administration and the
15 Congress to carry out the commitments and desires to the
16 extent they can.

17 MR. MUIRHEAD: Yes.

18 MR. ALLEN: A lot has been learned over the past
19 five years; a lot has been accomplished. How do you think
20 the Office of Education might capitalize on these accomplish-
21 ments? What broad objectives might it set in the future?

22 MR. MUIRHEAD: I think the Office of Education has
23 had a very difficult role to play in the past five years. It
24 hasn't been too long ago when the Office of Education was
25 rather an insignificant agency in the family of Federal agencies

1 sort of in the backwaters of the Federal stream. But with
2 the very dramatic developments of the past five years, this
3 agency which had not played a very important part in the
4 Government structure finds itself center stage and asked to
5 carry out the responsibilities of carrying on a great many
6 programs. I think the statistics on it are quite fabulous.

7 I came to the Office of Education about the time
8 when the Administration changed, from the Kennedy to the
9 Johnson Administration, and the total budget in the Office
10 of Education for the support of higher education, if I recall
11 correctly, was somewhere in the neighborhood of about \$60
12 million. The budget for higher education in the Office of
13 Education this past year was in excess of a billion dollars.
14 There you have some indication of the increased interest of
15 the Federal Government and the increased responsibilities of
16 the Office of Education.

17 Now, you asked about the shadow of things to come.
18 I think, as I tried to indicate a few minutes ago, that the
19 groundwork has been very effectively worked over, for a con-
20 structive Federal interest in support of higher education.
21 As we look at this vast array of programs designed to do the
22 things that colleges and universities are by their very nature
23 required to do, I would expect that from that foundation there
24 would come an increased commitment on the part of the American
25 people as reflected through the Administration and the Congress

1 to support those programs more vigorously then ever, largely
2 because more and more young people are going to be seeking a
3 higher education in the years ahead.

4 We witnessed a tremendous growth in the past ten
5 years in higher education enrollment; that growth is still
6 going on. There is every indication that by the middle of
7 the 1970's we will have moved from approximately today 6
8 million students in higher education, to about 10 million.
9 This will require a greater commitment on the part of the
10 American people and it seems to me the Johnson Administration
11 has provided the conduit by which that commitment can be made
12 and can be effectively carried out in the support of higher
13 education.

14 MR. ALLEN: What do you think would be the key goals
15 in what we are facing now?

16 MR. MUIRHEAD: Well, again I am confining my re-
17 marks to higher education, but I suppose with just a very
18 little adaptation they could be applied to all of education.

19 First of all, the problems that face higher edu-
20 cation are not unique problems; they are very understandable
21 problems. They are problems that come from a vigorous and
22 growing society and are the problems that flow from a society
23 that has high aspirations. It seems to me what they are going
24 to have to do in the period immediately ahead is to see to it
25 that this objective that President Johnson so clearly set forth

1 as one of the major goals, that of providing equal educational
2 opportunity, we are going to have to see to it that that is
3 indeed honored.

4 I have said a great many things during this inter-
5 view about the progress that has been made in support of higher
6 education in this country and in extending educational oppor-
7 tunity to young people; but I certainly wouldn't want the
8 impression to reside or to remain that there is any note of
9 complacency. We have a staggering talent loss in this nation,
10 just a talent loss that first of all should make us ashamed,
11 and secondly, one that as prudent citizens we can ill afford.
12 Let me illustrate.

13 Despite all of the fine programs that we have --
14 and they have resulted in hundreds of thousands, a million-
15 and-a-half young people will be helped next year to get a
16 higher education that would not have been able to do so with-
17 out the programs of the Johnson Administration -- but despite
18 that, the chances of a young person from a poor family of
19 getting a higher education in this country are dramatically
20 less than that of a young person from a moderately well-to-
21 do family.

22 I saw some statistics the other day that pointed
23 that out altogether very vividly. If a young man or young
24 woman finishes in the upper half of their graduating class,
25 and if he comes from a family earning \$9,000 or \$10,000 or

1 above, his chances of going to college today are about 8 out
2 of 10. If, however, he comes from a family where the income
3 is less than \$4,000 or \$5,000, and he is in the upper half
4 of his graduating class, his chances of going to college are
5 3 out of 10. What chance for an equal education opportunity
6 is a situation like that?

7 So in answer to your question, Herman, I think what
8 we are going to have to see in the period immediately ahead
9 is a stronger commitment to the goals of equal educational
10 opportunity for young people.

11 Now, related to that is the question of how can
12 higher education, the 2,000 colleges and universities in the
13 nation, how can they help to meet that goal; how can they
14 meet their costs? Higher education costs are increasing like
15 everything else in our economy. Faculty members are getting
16 higher salaries, and well they should. Their increase is long
17 overdue. It costs more to build classrooms; it costs a great
18 deal more to equip libraries; it costs fantastically greater
19 sums to equip science laboratories.

20 We now have a situation where young people do, of
21 course, pay part of the costs and tuition. But the cost of
22 providing that education is considerably more than the young
23 person pays. The gap between what he pays, despite the fact
24 tuition costs are going up, the gap between what he pays and
25 what the college has to pay out to support the instructional

1 program is widening. Young people then are getting a higher
2 education at a loss to the institution.

3 If we are going to increase higher educationn en-
4 rollments from 6 million to 10 million, then you don't have
5 to be an economist, which I am not, to see that that's the
6 road to bankruptcy. If you are losing money on the 6 million,
7 and you are going to have to deal with 10 million, then some-
8 thing has to be provided to close that gap.

9 So what is needed in addition to opening up the
10 doors for young people to help pay their costs is some sort
11 of support to higher education to hold back the rising costs
12 of higher education. Unless we do that, what we will be doing
13 is having a sort of a will-o'-the-wisp exercise whereby as
14 higher education costs increase and tuitions go up fewer and
15 fewer young people can afford to pay it.

16 What is needed is sort of a two-track approach.
17 One is to help young people, together with their parents, in
18 getting a higher education, and the other is to help colleges
19 and universities to provide that education without going bank-
20 rupt.

21 MR. ALLEN: Would you care to predict the form in
22 which some of these objectives might be met if and when they
23 become realities?

24 MR. MUIRHEAD: I first of all am not able to pre-
25 dict it. But I would like to record that this problem that I

1 described just a moment ago has been very dramatically and
2 emphatically recognized by the President. In his message on
3 education this year, for example, when he sent to the Congress
4 the legislation I described to you a moment ago, very compre-
5 hensive legislation. He pointed out, he said "This legislat-
6 ion is indeed important and is essential. But what we need
7 to do is find an even more effective way to support higher
8 education in this country, and we don't as yet know how to do
9 it." He said it a lot more eloquently than that.

10 He pointed out there was need for a strategy for
11 the support of higher education. It seems to me a great
12 legacy that he will leave with us is this indication that the
13 Federal interest in the support of higher education must move
14 ultimately in the direction of providing significant support
15 to colleges and universities, to permit them to do the thing
16 they do best, not necessarily what best serves the Government.

17 There is now, as a result of this recommendation
18 by the President, in place a study council hard at work in
19 trying to devise an effective procedure for the support of
20 higher education.

21 You know, Herman, there is a great symphony of
22 agreement, a great consensus, in higher education, that there
23 is a need for basic support for institutions of higher edu-
24 cation. But that symphony turns to a cacophony when you ask
25 them how to do it, for very understandable reasons, I think,

1 because the aims and purposes of different facets of higher
2 education are different. A basic institutional support pro-
3 gram for the junior colleges would not be the same form of
4 support as for liberal arts colleges, or a basic support pro-
5 gram that would continue to strengthen and improve our large
6 public universities would not necessarily be the same type of
7 support program that would be effective for private univers-
8 ities.

9 So what I think is needed is to have the very best
10 minds in higher education, the very best contribution from
11 our economists, the very best contribution from our sociolo-
12 gists and from our fiscal experts, in devising a way that
13 would allocate the Federal resources to colleges and uni-
14 versities, recognizing their different missions, and recog-
15 nizing the basic facts, for example, that it costs less to
16 provide undergraduate programs at a community college than it
17 costs to provide a four-year undergraduate program at a
18 resident college. It costs a great deal more to provide
19 graduate education than does undergraduate education. And
20 recognizing also the fact that, as we look down the road the
21 higher education enrollments will increase, but that the major
22 share of providing that education to these young people will
23 rest in the public sector rather than the private sector;
24 recognizing, too, that the public community college is a fast-
25 growing development in this country and that we may very well

1 have to devise a special program for it, for junior colleges;
2 recognizing also that critical to the strength and vigor of
3 our economy is to have a strong and vigorous graduate edu-
4 cational program in our nation.

5 So I think that what we may see emerging -- and the
6 form of it is ever so dim at the moment. But it may take a
7 form somewhat like this: The meeting of the equal educational
8 opportunity objective can be possibly met by providing a
9 basic support student-aid program which would say, in effect,
10 that every young person who has the capacity and the will
11 will be able to get a higher education and there will be a
12 program that will close the gap between what his parents can
13 provide and what the education costs. And this will be avail-
14 able to all.

15 Of course, everyone can't go to Harvard, nor should
16 everyone go to Harvard; everyone can't go to Yale, nor should
17 everyone go to Yale; everyone shouldn't go to a community
18 college, nor should everyone go to a state college. There
19 probably should be an equal opportunity for all to get a
20 quality education.

21 If the young person's talent and his interests are
22 such that he wants to attend another school that costs more
23 than that basic support program would provide, then there
24 should be an opportunity for him to do so, but let him bear
25 the money. Let me illustrate:

1 If the basic support program was set at \$1500, so
2 that every young person, no matter how poor his family was,
3 could be assured of getting \$1500 support -- some would get
4 \$1500, others might not get anything because their parents
5 can pay it; others might get \$200 or \$300 -- but that this
6 would be available to all. Then if that young person said
7 I think I can do better, in terms of my interests, by going to
8 a college where the cost is \$2500, then he should be able to
9 do so, but let him bear the money to do it.

10 This could be moving down the path of equal education
11 opportunity.

12 The other path, of helping institutions to meet the
13 rising costs of education and putting a kind of brake upon
14 rising tuition costs, might take the form of institutional
15 assistance based on the number of students that are being
16 served at the institution and based upon the nature of the
17 program that is being offered by that institution, some meas-
18 ure of the cost of instruction.

19 The cost of instruction at a community college
20 would be less than liberal arts college; then they would get
21 a percentage of their cost of instruction. The cost of
22 providing graduate education, particularly in the sciences,
23 is a great deal more than undergraduate education. Then that
24 type of institution that provides that type of service would
25 get more aid than would one that is not providing graduate

1 education.

2 So I see, in summary, some adaptation of the basic
3 student aid program and a basic institutional aid program
4 that would recognize the differing purposes and missions of
5 higher education, and then alongside that the continuation
6 of a number of categorical programs.

7 I placed a great deal of emphasis in my discussion
8 with you upon student aid and upon instructional costs. But
9 the mission of the university includes not only teaching; it
10 includes research and public service. There will be and
11 should be and I hope will continue to be rather vigorous
12 support for research and public service in our colleges and
13 universities.

14 Programs, for example, that are now in place may
15 very well move offstage as their mission is accomplished.
16 For example, the Higher Education Facilities Program, designed
17 to close the gap between what the colleges could build them-
18 selves and what is needed to provide adequate space for young
19 people. Well, that program has a definite goal. We had hoped
20 that would be done by 1973. Well, it was necessary to cut
21 back the appropriations in the last two years, so probably
22 that goal is pushed farther ahead.

23 It seems to me the Federal interest should be an
24 ever-changing one in terms of its categorical support. And
25 as that categorical mission is accomplished, should move off

1 and let the particular needs of that time dictate what the
2 categorical support should be.

3 MR. ALLEN: Mr. Muirhead, what you have said has
4 been largely in response to questions that I have put. I am
5 wondering if there is anything further you would like to get
6 into this interview on your own.

7 MR. MUIRHEAD: Not particularly, Herman. I think
8 your questions have been very far-reaching and have, I think,
9 given me an opportunity to develop what I consider to be the
10 principal outlines of this Administration's contribution to
11 higher education.

12 I think history, in my judgment, will record the
13 period from 1963 to 1968 as a great milestone in the develop-
14 ment of an effective and promising relationship between the
15 Federal Government and the many sectors or many facets of
16 education in this country.

17 I think historians will look back many years from
18 now and say "There's where it all began", and that we will,
19 I feel, watch from this pattern that has been developed under
20 the Kennedy-Johnson Administration, we will watch the develop-
21 ment of a great program of Federal support for education in
22 this country and a program that will continue to honor what
23 all of us want to honor, and that is the local independence
24 and the academic freedom of our institutions of education.

25 (End of recording.)