

DLC Releases “Saving The American Dream”

By Amy Wong

On July 19, the Democratic Leadership Council (DLC) released “Saving the American Dream,” a proposal to produce one million more college graduates each year by 2015.

Higher education, as expressly stated in the proposal, will not only allow Americans to remain a competitive force in the 21st century, but will also expand the middle class and the realization of the American dream.

As purported in the proposal, “The cost of college tuition has exploded at the very time a college degree matters most.” Within the past five years, public universities’ average tuition has shot up by more than 50-percent to \$5,500 per year. To add to students’ financial burden, the Bush administration and Republican Congress have cut financial aid by a staggering \$12.7 billion in recent budgets.

These changes—rising tuition coupled with decreasing financial aid—have negatively affected the decisions of prospective students across the nation. For many, a college education is simply unaffordable and impractical.

According to the report, to bolster international competition and ensure domestic sustenance, America should model itself on the 1950s when the government implemented the G.I. Bill. With affordable education, the middle class expanded; and innovation peaked.

The DLC proposed a revival of government aid, saying, “Today, we must act in the same spirit, by giving states grants to make public colleges more affordable and produce more college graduates.”

These bold and groundbreaking proposals include the following:

- An American Dream Grant that would award \$150 billion to states over the course of 10 years to decrease tuition and increase graduation rates. Money would be distributed annually to states that have a high number of students attending and graduating from college and universities. The block grant allots \$2,000 per student.
- The distribution of \$70-80 billion to students over the span of 10 years, in which each student receives a single, refundable \$3,000 college-tuition tax credit. Not only will this make education more affordable, but it will also simplify college aid by replacing the HOPE tax credit, the Lifetime Tax Credit, and the higher education deduction.
- The American Dream Grant and the college tuition tax credit will provide \$5,000 to each student, which should cover most of the tuition costs at 4-year public colleges. If that’s not

enough, students who work part-time or do community service will have all their tuition covered.

The DLC doesn't want their generosity to go unnoticed. They want to ensure that colleges and students understand that it's imperative to not only attend college, but also to graduate with a college degree. Studies show that almost a third of Americans are college dropouts. Each year, there are about 1.4 million students who graduate and 500,000 who drop out of college.

The college dropout rate is a major issue that needs to be rectified, the DLC states. College dropouts make about the same annual salary as those who have never even enrolled in college. In these cases, the government's investment in education yields no return. If students continue dropping out at the current rate, America's innovation will suffer; higher-paying jobs will be unobtainable; and the economy may undergo a major slump.

To reap profits, DLC argues that colleges must take active measures to ensure that students graduate. They need to publish complete data on their success rates. Schools with high dropout rates must find strategies to increase retention. Additionally, colleges should provide incoming freshmen a four-year trajectory of college costs.

The importance of higher education should also be instilled in students while in elementary and secondary schools. In order to do this, current school systems should be reformed; teachers should be upheld by higher standards; college courses should be more easily accessible to high school students; and courses should sufficiently prepare students for the demands of colleges and their chosen career paths.

The DLC reprimanded the Bush administration for its multi-billion dollar investments in "wasteful corporate subsidies," critically noting that it "distort[s] the market and discourage[s] competition."

The DLC aptly added, "A country built on its belief in the future shouldn't be doling out special-interest favors that will leave us worse off down the road. If we're willing to restore accountability to government, we can cut the deficit and make important long-term investments at the same time."