

# US education secretary to gut regulations, seek a “major shift” in higher education—Part 1

Nancy Hanover  
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*This is the first part of a two-part article.*

Behind the quiet rule-making activities of US Education Secretary Betsy DeVos, the Trump administration is dealing hammer-blows against the edifice of public higher education.

A series of policy and budgetary decisions are being proposed which will have catastrophic implications for students and educators. They include opening the regulatory door for a frenzy of privatization while exacting budget cuts from programs to aid students.

The budget request for 2020, released in March, demanded a \$7.1 billion reduction in the Education Department, a restatement of prior year Trump administration budget proposals which aim to dismantle the department itself. As for the state of higher education, overall state funding of public two- and four-year colleges has already fallen a staggering \$9 billion below 2008 levels, forcing tuition costs and student loan debt—now over \$1.5 trillion—to balloon. Public university tuition has doubled in the last two decades, tripled in the last three.

They escalate the years-long assault by Democratic and Republican policymakers. The proposed changes include:

- Eliminating the public service loan forgiveness program which cancels loans after 10 years for public servants, such as teachers in low-income school districts. The program, now projected to cost \$24 billion over the next 10 years, has been part of the national student loan system in some form since the 1950s.

- Terminating the Obama-era “gainful employment” regulation which amounted to a modest fig-leaf applied to the “Wild West” of for-profit career schools. The

original rule would punish programs whose graduates had student debts higher than a certain percentage of their incomes. As many lawsuits have proven, the for-profit industry was rife with programs that lured students in, saddled them with massive debts and then “trained” them for jobs at subsistence pay.

- Tearing down the separation of church and state. DeVos announced in March that the Department of Education (ED) will no longer enforce the prohibition against giving federal education dollars to “faith-based entities.” She described as “unconstitutional” the education policy which prevents the subcontracting to religious organizations of tutoring, mentoring and other special services. This follows her attack last year on state “Blaine Amendments” which prohibit federal funding of religious and parochial schools.

- The ED has, under DeVos, deliberately dragged its feet on tens of thousands of applications for loan forgiveness under the current law which provides loan relief for students who have been defrauded by their college. The administration is seeking to dramatically restrict or jettison this “borrower’s defense” remedy.

This is a major issue, as it has become all too common to learn that a career school has shut down, with no notice, stranding students without a credential and often any transferrable credits. A staggering 450,000 students have been so victimized in the past few years. In 2016 alone, 448 for-profit colleges shut, with on average 175 more closures in 2017 and 2018. Many of the colleges were chain schools with many campuses: ITT (130 campuses), Education Corporation of America (70), Corinthian Colleges (28), the Dream Center Education Holdings (41), and Vatterott College (15).

While Trump personally paid out \$25 million to defrauded students as a result of multiple lawsuits over the raft of illegal business practices of his Trump University, Obama's tight involvement with the for-profit industry is less well known. Obama watered down his original regulations on "gainful employment" at their insistence. Most damning of all, prior to leaving office, Obama refused to issue an executive order canceling the debt of tens of thousands of students whose fraud-related applications his department had already processed.

The financial interests of high-level Democrats in the for-profit college industry includes many, especially the Clintons. Bill Clinton earned \$16.5 million working for the for-profit Laureate Education and Hillary was paid \$225,000 by Academic Partnerships, a for-profit online subcontractor, for one of her infamous money-grubbing speeches. Among her election campaign bundlers were former lobbyists for the University of Phoenix.

The substantive higher education rule-changes currently being debated will further undermine learning standards, limit students' access to teachers and degrade access to culture and knowledge. DeVos has previously referred to her direction as a "major shift" which will de-prioritize four-year college degrees.

*To be continued*



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