

Source: Bureau of Labor Statistics and the College Board.

College Costs far outpace the Increasing Costs of Healthcare and Inflation

The figure compares inflation over the last 30 years associated with (1) the general cost of living, (2) the cost of medical care, and (3) college tuition and fees.

Inflation factors were computed to answer the question: in each year, how many dollars would be needed to have the same buying power as \$1.00 had in 1978? The calculations made use of published data on the [Consumer Price Index for all urban consumers \(CPI-U\)](#), the [medical costs component of the CPI](#), and [historical data on inflation of college tuition and fees](#).

As is well known, medical care costs have grown faster than the general cost of living — by 2008, nearly twice as much. This receives a lot of public attention and many complaints.

Yet college tuition and fees inflated at a much faster rate: nearly **three times that of general inflation**. Thus while it took \$3.30 in 2008 to buy the same general commodities purchasable for \$1.00 in 1978, for college tuition and fees nearly \$10 in 2008 was needed to buy what \$1.00 got in 1978.

This excess inflation has, incidentally, occurred across the board: for both private and public 4-year colleges, and for public 2-year colleges.

This is why students are being forced to take out exorbitant loans.

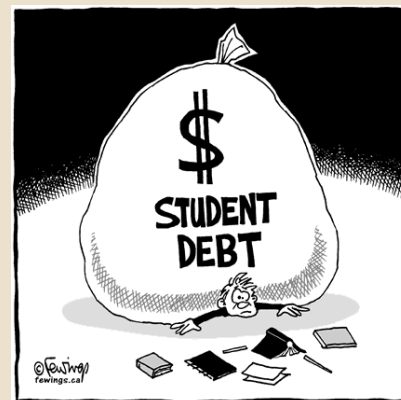
In short:

- After adjusting for inflation, college tuition and fees are roughly three times more expensive now than in 1978. Why? What has intrinsically changed about college education so that this is the case?
- Excess inflation of healthcare costs is a prominent issue and receives much attention; but excess inflation of college costs is even greater. Why is this not a major social issue?

Shouldn't we be making a college education easier to obtain instead of more difficult? We claim to rely on young people to make a better world in the future. How are they supposed to do that when they step into adulthood already burdened with debt?

Reading and Resources

- The College Board. [Trends in College Pricing](#). Princeton, NJ: 2008.
- The Education Sector. [Drowning in Debt: The Emerging Student Loan Crisis](#). July 2009
- Ronald Ehrenberg. [Tuition Rising: Why College Costs So Much](#). Harvard University Press, 2002.
- [The Project on Student Debt](#)
- Paul Streitz. [The Great American College Tuition Rip-Off](#). Oxford Institute Press, 2005.
- Richard K. Vedder. [Going Broke by Degree: Why College Costs Too Much](#). American Enterprise Institute, 2004.
- Penelope Wang. [Is college still worth the price?](#) Money Magazine. August 20, 2008.



Find out what others in Montana think about this issue:

[Montana Policy Inst Public Sector Pay/Benefits Project](#)

[Montana Watchdog Poll on Public Employee Benefits](#)

MONTANA UNIVERSITY SYSTEM

MUS Tuition & Fees at 4-year Institutions

Academic Year Rates for Full-time+ Students

Institution	Full-time Resident					Full-time Nonresident				
	2000-01	2005-06	2009-10	2010-11	2011-12	2000-01	2005-06	2009-10	2010-11	2011-12
Undergraduate										
Montana State University, Billings	3,052	4,856	5,207	5,241	5,470	8,227	13,096	14,688	15,235	15,961
Montana State University, Bozeman	3,079	5,220	5,999	6,168	6,428	9,075	14,946	17,561	18,291	19,153
Montana State University, Northern*	2,692	4,088	4,440	4,476	4,643	8,078	13,371	15,132	15,224	15,923
University of Montana, MT Tech*	3,006	5,123	5,885	5,928	6,175	8,530	14,115	16,390	17,174	17,269
MT Tech of the University of Montana*	3,066	4,711	5,330	5,476	5,722	8,395	13,427	17,767	19,172	20,099
University of Montana, Western*	2,603	3,433	3,689	3,696	3,945	7,777	11,827	12,740	12,824	13,778
Graduate										
Montana State University, Billings	3,495	5,608	6,005	6,039	6,307	8,670	13,849	15,446	16,033	16,799
Montana State University, Bozeman	3,533	6,041	6,774	7,136	7,443	9,530	15,767	18,473	19,258	20,168
Montana State University, Northern	3,300	5,656	6,171	6,207	6,460	8,694	14,491	16,342	16,955	17,740
MT Tech of the University of Montana	3,360	5,838	6,774	6,730	7,016	10,327	17,197	19,943	20,089	21,040
University of Montana, Missoula**	3,458	5,349	5,909	6,206	6,489	9,301	14,913	19,755	21,330	22,365

Notes:

+Full-time enrollment equals 15 credits per semester

*Tuition amounts represent lower division undergraduate costs (i.e. tuition levels for students in their junior and senior years are higher than the amounts listed)

**Tuition amounts represent master's level graduate costs (i.e. tuition levels for doctoral students are higher than the amounts listed)

source: Official Tuition & Fee spreadsheets approved by the Board of Regents; identical information submitted to WICHE's Tuition and Fees in the West publication

MONTANA UNIVERSITY SYSTEM

MUS Tuition & Fees at 2-year Institutions

Academic Year Rates for Full-time+ Students

Institution	Full-time Resident					Full-time Nonresident				
	2000-01	2005-06	2009-10	2010-11	2011-12	2000-01	2005-06	2009-10	2010-11	2011-12
Dawson Community College (in-district)	1,368	2,324	2,736	2,856	3,083	5,012	6,854	8,500	8,619	9,135
Flathead Valley Community College (in-district)	1,748	2,349	3,496	3,584	3,657	5,409	7,755	10,636	10,724	10,797
Miles Community College (in-district)	1,512	2,835	3,420	3,420	3,630	4,872	5,894	7,080	7,080	7,380
MSU-Billings, College of Technology	2,503	3,478	3,661	3,693	3,719	4,614	6,567	7,070	7,543	7,575
MSU-Great Falls, College of Technology	2,383	2,877	3,012	3,025	3,069	5,775	8,180	8,892	9,276	9,320
Montana Tech, College of Technology	2,220	2,936	3,128	3,128	3,142	5,365	7,444	8,048	8,094	8,107
UM, Helena College of Technology	2,293	2,874	3,061	3,061	3,061	5,346	7,581	8,020	8,057	8,357
UM, Missoula College of Technology	---	3,096	3,347	3,369	3,391	---	8,074	9,502	11,055	11,077

Notes:

+Full-time enrollment equals 15 credits per semester

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