



Why America's Historically Black Colleges and Universities Deserve Funding to Sustain Their Mission

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A government of the people, by the people, and for the people should take responsibility for the social and economic disadvantages that Black people in the United States face because the country once sanctioned their enslavement and because racial discrimination continues to impede their progress in many ways.

During Reconstruction, the period immediately following the U.S. Civil War, policies were enacted with the express goal of rehabilitating slaves and rectifying the injustices of slavery. Education was a cornerstone of many such efforts, including new institutions of higher learning for Black people. Now known as Historically Black Colleges and Universities, these institutions serve as pillars in Black communities across the country and are important supports for the U.S. labor force and economy. Today, many face unprecedented challenges, and policymakers and civic leaders must fortify them and think creatively about their future.

What Historically Black Colleges and Universities Achieve

Research shows that Historically Black Colleges and Universities provide important opportunities for economic mobility. According to the National Science Foundation, Historically Black Colleges and Universities constitute 21 of the top 50 institutions responsible for educating Blacks in STEM. On average these institutions do a better job than any other type of U.S. higher educational institution of vaulting the lowest income students into the top earning ranges. Almost three-fourths of Historically Black Colleges and Universities' student populations are eligible for the Pell Grant – the federal financial aid program offered to low-income students. And studies reveal that Black students who attend these colleges have more professional confidence and a greater sense of purpose.

- Historically Black Colleges and Universities are responsible for a fifth of all Black student participation in the Peace Corps, deploying informal ambassadors around the world in a way that reflects the full diversity of American society.
- Black institutions of higher learning are responsible for training 70% of America's Black dentists.
- According to 2014-15 data, Black institutions confer one fourth of the all bachelor's degrees in education.

Clearly, Historically Black Colleges and Universities are still needed for the advancement of Black people and the poor. Yet these institutions are struggling financially. Total revenue for all 102 Historically Black Colleges and Universities' in the 2014-2015 academic school year was \$7.7 billion – a billion dollars less than the 10th-largest endowment in U.S. higher education held by the University of Notre Dame.

Providing Proper Funding

What can be done? Policymakers, civic leaders, and all others concerned with the fate of the U.S. Black community should consider legislation that will provide Black institutions with the resources necessary to fulfill their missions. As awareness of the gap in wealth between Black and White families grows alongside the recognition that these wealth disparities have their roots in policy, it seems appropriate that federal dollars be spent to support Historically Black Colleges and Universities who have shown their ability to improve economic mobility for Black and poor students.

One possible way to ensure proper financial support is to consolidate historically Black institutions. At present there are 51 state institutions and 51 private institutions. This number could feasibly be reduced to 40 state institutions and 20 private institutions that would continue to confer bachelors' and masters' degrees and

doctorates. Meanwhile, the remaining 42 institutions would not close their doors. Instead, they could be transformed into training and innovation centers that prepare students to enter the workforce in ways that mirror the German apprentice system, where theoretical learning is paired with practical training. The training facilities could equip students with skills to prepare them for highly competitive, increasingly specialized job markets sure to open as technology progresses in the globalized world.

- The new training facilities would be selected based on the geographic distribution of Black people across the country. To achieve the reduction in the number of institutions while properly modernizing the campuses, funding levels would need to meet \$5 billion over five years – a level of funding that reflects support already given annually to Historically Black Colleges and Universities by the states and the federal government. Continuing support at this level would not require new funds.
- For the 60 institutions that would continue to confer undergraduate and graduate degrees, funding levels would need to match \$25 billion in annual installments over five years. This falls within the existing Title III budget currently disseminated by the United States Department of Education. A percentage of the funds dispersed should be paid directly into university or college endowments to help them reach the national average college endowment of \$56.7 million. This would ensure the financial solvency of the remaining colleges and universities and help them meet a key accreditation requirement.

Costs and Benefits

Historically Black Colleges and Universities are more diverse than others; their average share of non-Black students is 22%. The funding suggested here would be a sliver of the United States federal budget, which was 3.8 trillion dollars in 2015. Historically Black Colleges and Universities are the reminder that the American dream is still viable. These institutions need – and deserve – ongoing financial support to fulfill their vital mission.

Read more in Sherice J. Nelson “The Importance of Funding Historically Black Colleges and Universities” (working paper, 2018).