

**Working Paper:
The Life Course of Higher Education Institutions: When the End Comes¹
Virginia Sapiro, Boston University, 2019**

As the second decade of the twenty-first century comes to an end, the closure of many small colleges keeps making headlines. The Northeast seems to be especially hard hit by a concentration of closures, even if this region is not the only one to suffer. Since 2015 over 30 nonprofit institutions of higher education accredited at the baccalaureate level or above have closed, either outright, or as a result of merger.

This will not be the end.² In December, 2019 *The Chronicle of Higher Education* listed the 20 public and 20 private colleges and universities experiencing the largest enrollment declines along with contributing factors. The enrollment declines at the public institutions range from almost 27% to 55%. The declines at the private non-profit institutions range from 43% to almost 60%.³ For obvious reasons steep enrollment declines are symptoms of fatal vulnerability. Many institutions are making the kinds of major steps typical of those whose viability is threatened.

The epidemic of college and universities is a serious problem for many different constituencies. Closures are most obviously disruptive to current students' education progress and their lives. Students and their families experience the closures as a breach of promise. Most of the closures affect small institutions, ones with very particular or unusual missions, and those that are relatively non-selective and low in prestige rankings, which makes it difficult for students to find an alternative. Closures, even if accompanied by mergers, necessarily create unemployment, perhaps long-term unemployment, for

¹ This working paper is a sketch that is part of a much larger book-length project on the history of higher education in the United States. I decided to circulate this piece "early" because of the tremendous current attention on recent institutional closures. Please respect that this is part of an ongoing project. I welcome all comments, suggestions, and criticisms: vsapiro@bu.edu.

² Rick Seltzer, "Moody's: Private-college closures at 11 per year," *Inside Higher Ed*, July 25, 2018., <https://www.insidehighered.com/quicktakes/2018/07/25/moodys-private-college-closures-11-year>, accessed 1/28/2019; Michael Damiano, "Boston's colleges are going broke and we may all have to pay." *Boston Magazine*, January 29, 2019, <https://www.bostonmagazine.com/news/2019/01/29/college-problem/>, accessed 1/20/2019.

³ "Colleges with the greatest decreases in full-time undergraduates," *Chronicle of Higher Education*, December 9, 2018. <https://www.chronicle.com/article/Colleges-With-the-Greatest/245285>, accessed 1/28/2019.

faculty and staff and the loss of pensions and other benefits on which they depended. When an institution of higher learning ceases to exist, it affects alumni in many ways.

When a higher education institution closes, it hurts a wide range of businesses that grow up in neighborhoods and local communities because of the existence of those colleges and universities because they lose their clientele when the institution closes. Housing markets are disrupted. Buildings and campuses that often include historic and white elephant structures have to be repurposed. Colleges and universities are social and cultural landmarks that are important parts of a neighborhood or local community's identity. The loss of institutions of higher learning is a serious matter.

The wave of recent closures has created shock waves. But it has also been widely treated as though this is an unusual phenomenon, caused by something very particular to this era. This working paper takes a longer look at the history of higher education in the United States to embed these closures in an understanding of the *life course* of higher education institutions and the *ecology* of higher education. The life course of higher education institutions refers to the stages, normal opportunities and challenges, and institutional strategies and tactics that are typical of them during their individual histories. They are founded, often as transformations of previous institutions, and almost always face significant vulnerabilities to reach a level of sustainability. They all have phases of growth, development, and change in their missions and operations. And many experience periods of mortal vulnerability, sometimes succumbing.

Institutions' life courses are not independent of their social, political, and economic environments. The historical and social context of an era shapes the opportunities that are open to them, the constraints and crises that hit them, their ebbs and flows. The particularities of individual institutions certainly determine how the historical and social context hits them, how vulnerable they are to being hurt; how ready they are to take advantage of opportunities; whether they have the leadership to act creatively, strategically, tactically. But if we are interested in more than just the fate of particular institutions, then understanding those institutions as part of an ecology of higher education is important. And by *ecology of higher education* I mean the linkages not just among higher education institutions,

but of the entire sector to other social, political, and economic institutions and forces. Thus, this working paper aims to draw back from focusing narrowly on the institutional closures of the early 21st century in order to understand this era in a context of the ecology of higher education, especially its “births” and “deaths,” since the late 19th century.⁴

This working paper is a small part of a larger research project examining the history of American higher education and its relationship to American social and political development from early settlement days through the present. The historical observations used in this paper are part of an extensive timeline and genealogy covering a core set of historical facts about every higher education institution ever regionally accredited at the bachelors degree level or above. In the 20th century, regional accreditation became the gold standard of certification that an institution meets appropriate standards of academic quality, financial stability and viability, and appropriate governance practices. This study therefore excludes institutions accredited by a wide range of agencies such as religious or arts organizations if they are not also accredited by the regional associations. An institution does not have to be called a university or college to be regionally accredited to confer bachelors degrees, masters, and/or doctoral degrees (such as the American Academy of Art in Chicago, the U.S. Air Force Academy, the Jewish Theological Seminary in NY, or the International Institute of Restorative Practices in PA), but they are held to the same standards. Because a very large proportion of today's colleges and universities have evolved – and were sometimes radically transformed – from earlier

⁴ There are many studies of historical patterns of closures and mergers of higher education institutions; each has a somewhat different definition, scope, and purpose. Among these are Ricardo Azziz, Guilbert C. Hentschke, Bonita C. Jacobs, Lloyd A. Jacobs, and Haven Ladd, *Mergers in Higher Education: A Proactive Strategy to a Better Future?* New York: TIAA Institute; A.J. Curaj, et al., *Mergers and Alliances in Higher Education: International Practice and Merging Opportunities*. New York: Springer; G.M. Epstein, “Desegregation of public institutions of higher education: Merger as a remedy.” *Chicago-Kent Law Review* 56: 701-30; R. Eric Platt, Steven R. Chestnut, Melandie McGee, and Xiaonan Song, “Changing names, merging colleges: Investigating the history of higher education adaptation,” *American Educational History Journal* 4 (2017): 49-67. A longer list of recent closures than mine (more inclusive in its focus) is Hallie Busta, “How many colleges and universities have closed since 2016?” EducationDive <https://www.educationdive.com/news/how-many-colleges-and-universities-have-closed-since-2016/539379/>. Accessed February 28, 2019.

institutions that were not colleges or universities as we understand them today, this genealogical work also includes that institutions that were the earlier forms of today's institutions, their direct genealogical ancestors. Fully understanding the life course of higher education institutions and ecology of higher education requires not limiting ourselves to history since the day institutions become – or called themselves – colleges and universities. Indeed, as many scholars have noted, there are many different ways we could define which is the day an institution becomes a college or university, or how to define what an institution is in continuous existence, and when a new one has developed.⁵

For purposes of this essay I focus only on non-profit institutions because the life course and ecology of for-profit higher education institutions is fundamentally different. For-profit institutions are commodities that are owned, merged, transformed, sold, and closed on the basis of their primary purposes of returning a profit to their owners. Nonprofit and for-profit institutions are different, but their histories are linked.⁶ Many contemporary colleges and universities, some of them public, began life as a private, proprietary school – essentially training courses in which a pastor, a businessperson, pharmacist, chiropractor, or engineer hung up a shingle. A lot of today's public institutions were once private. And at the turn into the 21st century, some entrepreneurs launched the practice of buying up failing accredited schools to use the accreditation as a critical resource in establishing for-profit schools that could benefit from federal financial aid programs.

The Life Course of Higher Education Institutions: Threats to Viability

⁵ Alice W. Brown, et al., *Cautionary Tales: Strategy Lessons from Struggling Colleges* (Sterling, VA: Stylus Publishing, LLC, 2012); Samuel Eliot Morison, *Harvard College in the Seventeenth Century*. (Cambridge, MA: Harvard University Press, 1936), especially where he says, "I refuse to follow the lead of those college historians who lay down a hard and fast definition of 'university' which, strangely enough, so neatly fits their own institution that they promptly proclaim it the First American University" (p.72).

⁶ But: before the 20th century the distinction between a nonprofit and for-profit was much hazier than it was later, and that distinction may be blurring again with the recent invention of the "public benefit corporation." Frederick H. Alexander, *Benefit Corporation Law and Governance: Pursuing Profit with Purpose* (Oakland, CA: Berrett-Koehler Publishers, Inc.).

Colleges and universities do not suddenly blow up. Even when they literally burn to the ground over night – as many have, sometimes more than once – most find a means to carry on. Their trustees, leaders, faculty, and other constituencies are committed to them, and usually do everything they can to keep them alive, even when their enrollment numbers are falling and they are in increasing debt. The historical record of hundreds of colleges and universities over American history makes clear that most have spent significant parts of their institutional existence teetering on the brink of ruin, deeply vulnerable to having to close. Why is this the case? Start with this simple premise: virtually no college or university has ever lived off of tuition dollars alone – they can't. In the 18th and 19th centuries they used donations, grants, and cooperative agreements to obtain facilities. Community and public support were critical components of their finances – even for those institutions now recognized as “private” institutions⁷ -- as were special fundraising campaigns and endowments, scholarship subscriptions, public land grants, and sponsorship by religious denominations or the creation of revenue-producing enterprises.

Institutional histories almost always contain the story of anxiety-producing periods when the end seemed near, often in the first years of life, but also many times later. Many struggled for survival most of the time, and occasionally had to take a hiatus from operations. The first institution to do so was Harvard College in 1639-40.

Few higher education institutions have been immune from the onslaught of external conditions such as wars; recessions, depressions, and panics; epidemics; or environmental disasters such as floods and earthquakes. From the beginning of American history to 1889, the main building – often the only building – of no fewer than 62 institutions of higher learning burned to the ground. Scores of American higher education institutions were founded in areas of new settlement or where there were bursts of populations increase. These were usually relatively poor areas in which communities might donate

⁷ Harvard's tremendous wealth – an example of an extreme – was built on a platform of substantial public support of many kinds.

land, perhaps a building or construction labor, but rarely could provide much cash for operating expenses – and in community after community much of the pledged funding never materialized.

But institutions also fail because the regional population – especially the population of “college-age” people -- declines or does not continue to grow as expected. In the 19th century these settlement declines occurred for many reasons such as the location of railroad lines or the search for better conditions for agriculture. In the late 20th century the baby boom, baby boom echo, the valleys in between, and the expected continued decline in the “college-age” populations have governed the success of higher education in important ways.

Different migration and birth patterns mean that population booms and busts relevant to higher education are not uniform across the country. Twenty states plus the District of Columbia experienced net child population declines from 2000-2010. Vermont is the state with the largest population decline (-12 percentage points, matching Washington, D.C.). Vermont is a small state with a relatively large number of schools and colleges, some of them proudly iconoclastic, many with a history of resource challenges. It should not be surprising that Vermont has suffered a large number of losses. As of this writing, since 2000, Burlington College, Green Mountain College, Trinity College, and Woodbury College have closed or have announced their closing; the College of St. Joseph and Goddard College have been put on probation by their accreditation agency; Lyndon State College and Johnson State College merged to become Northern Vermont University; SIT Graduate School has closed its Vermont operations; Vermont Law School revoked tenure for the majority of their faculty; Middlebury College has offered voluntary faculty buy-outs; Marlboro College sold a building; and the University of Vermont is reducing the faculty size and increasing class sizes.⁸ Vermont’s 4-year public institutions already have the highest tuition levels of any state.⁹

⁸ Laura Krantz, “Higher education struggles are hitting Vermont hard, *Boston Globe*, January 31, 2019, <https://www.bostonglobe.com/metro/2019/01/30/higher-education-struggles-hit-vermont-hard/hiN0TRBKM147Qbdrvx4QHJ/story.html> , accessed 2/8/2019.

⁹ <https://trends.collegeboard.org/college-pricing/figures-tables/2018-19-state-tuition-and-fees-public-four-year-institutions-state-and-five-year-percentage> , accessed 2/10/2019.

Colleges and universities have used myriad strategies and tactics to avoid disaster, survive, and put themselves on a stronger footing. These include requiring students or faculty to contribute labor to maintenance and day-to-to operations (very common in the pre-Civil War period); cutting the pay of faculty or even going without paying them; reducing the number of faculty; cutting programs; launching new programs that might attract new students; launching programs that might attract full fee-paying students; finding new constituencies to boost enrollments such as lay people (in the case of religious institutions), students of other denominations (for faith-based institutions), students of a gender or race not previously welcomed, foreign students, students of non-normative ages (including both preparatory students and “working adult” students), or less qualified students; building housing or creating distance programs to attract students from further afield; launching variety of forms of fund-raising efforts including philanthropy and revenue-producing programs and functions; increasing spending of endowment funds for operations and debt coverage; pursuing governmental programs that provide funding; selling infrastructure or other resources; building infrastructure that might attract new students; seeking adoption by an organization that can provide support such as a denomination, the public sector or, more recently, a corporation; moving the institution to a better location; or working with the local community to improve the environment of the institution as happened in the urban planning period of the 1950s and 1960s. Some of these strategies and tactics are more obviously designed for short-term amelioration, and are sometimes counterproductive in the longer term. Many contain hidden and not-so-hidden costs that require further expenditures, not easy commitments for an institution is teetering on the brink.

When colleges and universities fail, something has usually pushed a long-vulnerable institution over the cliff – usually debt that has become unsustainable to the institution itself or, where relevant, to a parent organization, such as a religious denomination. The rise of regional accreditation in the 20th century changed the conditions under which institutional vulnerability became visible. The era of accreditation created increasingly national standards for judging what constitutes institutional

viability and vulnerability, and subjected nonprofit institutions to scrutiny.¹⁰ When regional accreditation agencies put institutions on probation, they identify the particular standards that led to this judgment, and what changes would be required to bring them back from the brink. In the vast majority of cases those involve matters of financial viability and governance practices.

Withdrawal of regional accreditation does not require an institution to close, but it does almost always causes closure or a radical shift in mission both because most students will not pay to earn an unaccredited degree and because federal aid cannot be extended to students in an unaccredited institution. But the role of accreditation is a comparatively recent phenomenon in the almost 500 year history of American higher education.

Before the 20th Century: A Brief Look Back

Although conditions of higher education changed dramatically in the 20th century, especially after World War II, a brief look further back can help drive home the point about the vulnerability of institutions of higher education. In the nineteenth century very few had much endowment if they had any at all. Until roughly the Civil War, many institutions gave themselves bursts of revenue support by selling subscriptions – essentially scholarships that could be cashed in later. As all those institutions found, those schemes were not financially viable. Many institutions in the earlier era depended on the physical labor of students and sometimes faculty in maintaining buildings, growing food, and collecting fuel. Some used slave labor for these operations. Religious denominations supported a large number of American colleges and universities, so much so that some institutions changed their religious commitments for the sake of the highest bidder. Towns and their business leaders bid to

¹⁰ For-profit institutions only recently became more subject to standards and scrutiny, and they used that benefit to great advantage. Only in 2011 when the U.S. Senate investigated the practices of these institutions did their reliance on unethical business practices and their ability to bilk the public sector come to light. United States Senate. Committee on Health, Education, Labor, and Pensions. *For Profit Higher Education: The Failure to Safeguard the Federal Investment and Ensure Student Success*. <http://www.propublica.org/documents/item/407797-help-senate-report> accessed 12/21/15.

attract institutions of higher education – many U.S. institutions are located where they are because their home town won a bidding process -- and would sometimes step forward to save them when they seemed about to go under water.

The Civil War marked a large change in the life course of high education. The Civil War shut down many colleges and universities, at least temporarily – certainly most in the Confederate South. Some did not re-open, if they did at all, until at least 1870. Institutions that converted their accounts to Confederate dollars were empty-handed after the War regardless of what they had before. But the growth of higher education sped up for many reasons -- continued Westward expansion and the creation of new states, urbanization, a wider belief in higher education for women, growing interest in higher education among denominations that had not been very interested before, and both the Morrill Act land-grant program and the establishment of colleges for former slaves instigated or assisted by the Freedman’s Bureau. The public sector, philanthropists, and denominations contributed to these startups, although failures occurred regularly as well as the real cost of these institutions could not be met.

Many state institutions started life late in the nineteenth and early twentieth centuries as normal schools. At first, these were usually founded and funded by towns and school districts as certificate finishing programs in high schools. Soon they were established at the local or state level as normal schools. Those that survived into the 1920s and 1930s were taken over by states, becoming first teachers colleges, then state colleges. But they generally lived hand to mouth and today, often exist as the state comprehensive colleges, underfunded by their states, depending increasingly on limited contract and part-time adjunct instructors, and showing low graduation rates.

But institutional failure, including the need for dramatic transformation to remain in business, was a normal part of the ecology of higher education in the 18th and 19th centuries. Institutions closed, merged, changed their mission, moved – even across state lines – with amazing regularity. Unfortunately, it is very difficult to estimate higher education failure *rates* accurately before the 20th century without an agreed-upon standard of how to define “higher education” institutions, which

usually contained many levels of education. The designation of “college” or “university,” was simply not as meaningful as it is today. Before the advent of public school systems or the expectation that children should go to secondary school, higher education was essentially post-primary education, covering perhaps the last two years of what we now define as high school. The vast majority of today’s colleges and universities with roots before the 20th century began as academies; sometimes as primary schools; occasionally as orphanages or specialized schools of some sort; or as seminaries, Bible schools, or theological institutes. The institutions with “college” or “university” in the name often offered only preparatory programs in their earliest years (and sometimes decades), sometimes for children as young as 13, because of a lack of local young people qualified to undertake the classical college program that was the norm.

At the end of the 19th century and beginning of the 20th, institutional classification of became more standard and the distinctions more clear. Public school systems emerged, public high schools became more common, and states began to institute more stringent compulsory education. This put many academies and other preparatory schools out of business unless they transformed themselves by becoming junior colleges or 4-year colleges.¹¹ States, as a matter of public policy, began to plan and open up higher education campuses around their territories to serve particular purposes – especially for the training of teachers and higher education in some trades. Many had already been offering some college courses. Many career education programs – in education, business, law, and health care, for example – became more professional, standardized, longer, and integrated into college and universities as degree programs. The Association of American Universities, founded in 1900, began to accredit undergraduate programs in 1914. The ecology of higher education and the life course of higher education institutions became easier to see and analyze.

¹¹ Nancy Beadie and Kim Tolley, eds., *Chartered Schools: Two Hundred Years of Independent Academies in the United States, 1727-1925*. (New York: Routledge Falmer, 2002); Jürgen Herbst, *The Once and Future School: Three Hundred and Fifty Years of American Secondary Education* (New York: Routledge, 1996).

Much of the rest of this essay relies on the data collected by the author and listed in *Closures and Mergers of Higher Education Institutions, 1890-2019: Data Source*. This document, a subset of a larger timeline and genealogy of the history of higher education in the U.S. from the seventeenth century to the present, contains the concluding episodes of higher education institutions from 1890 to the beginning of 2019. It aims to include all institutions of higher learning that were ever regionally accredited at the bachelor's level or above and all institutions that were direct forbears of an institution that was accredited at that level. This list excludes straightforward transformations of an institution, as when a normal school or junior college was rechartered to become a baccalaureate institution, or when a college was merged into a state-wide university system as one of its component institutions, but carrying its own accreditation.

I use the term “closure” as a short-hand for both closing narrowly construed – when the institution and its programs go out of existence entirely, and for cases in which the institution's programs may continue under the aegis of another institution because of mergers, but the college or university no longer exist as an independent, self-governing institution with fiduciary responsibility for itself or control over its own future.

We will look institutional closure but also, for perspective, the pattern of institutional foundings in the same period. We have to recognize, however, that comparison across time is actually quite difficult because the more recent listings of institutional births are not exactly equivalent to, and are (perhaps surprisingly at first) less valid than the listings from longer ago. Here is the reason: In the course of American history, it has been relatively rare for colleges and universities to be born fully chartered as 4-year colleges, let alone as universities as we now define them. Most higher education institutions morphed over the course of their histories, sometimes many times, often with a number of rebirths and re-charterings before attaining their final institutional form. (That is why the underlying data set for this project is termed a *genealogy* as well as a timeline.) A single institution may have multiple foundings. The Newbury Biblical Institute, founded as a seminary in Vermont, moved and transformed itself multiple times until it was re-founded in Boston in 1866 as the Boston Theological

Institute and then re-chartered in 1869 as Boston University. The Anna Blake School for Manual Training, founded in 1891, was taken over by the State of California in 1919 and rechartered as the Santa Barbara State Normal School. Its path to becoming UC Santa Barbara involved transformations much larger than simple name changes or even incremental change.

A challenge in interpreting these data, therefore, is that a genealogy is by definition easier to interpret moving *backward* in time than *forward*. Who knows what institutions founded in the past decade or two that are not now part of the scope of our analysis will be accredited baccalaureate or graduate institutions a decade or two from now? Who knows what new types of institutions and programs will be eligible for regional accreditation at the baccalaureate or graduate level a generation from now? The little Babson Institute, opened in 1919 to offer 1-year certificate courses for men in practical fields attracts our attention not because of what it was, but because eventually it became Babson College. Our information cull includes the St. Francis Orphanage, founded by the Bernardine Sisters on a farm in 1925, because eventually it was re-chartered as Alvernia University. The Woods Hole Oceanographic Institution was founded solely as a research organization in 1930. It appears in our list because it later became an accredited, degree-granting institution of higher education.

Institutional Closures, 1890-2019

A small number of institutions of higher learning lose their independent existence almost every year – an average of about 3.5 closures per year over the entire time period. From 1890 to the first months of 2019, there are only 6 years in which no institution lost its independent existence. With such small numbers each year we cannot make too much of the “bumps and wiggles” in the rate of closure per year, but recasting the data as the number of closures in every half decade (Table 1) allows us to look at patterns. There is a generally rising pattern of closures in the first quarter century of the 20th century, with a peak in the early years of the Depression. This peak is followed by a trough during the late Depression and WWII. Closures peaked again after WWII and especially, in the mid-1960s. We see another fall and trough from the 1970s through the first few years of the 21st century. Closures

again rise steeply since 2010. It is worth pausing a moment to consider the impact of historical framing. Most of the current anxiety about recent institutional takes the immediate preceding era as the point of comparison. A longer view makes this failure rate no less concerning, but it does put the problem in a different perspective. The linear trendline indeed shows an increase in closures over this period overall, but perhaps not as steep as current news might lead us to expect.

Thinking about the life course of higher education institutions suggests we should think about their foundings as well as closures in tandem. Table 2 re-plots the closures in the 1890-2019 period, but also adds data on foundings. Clearly, throughout most of this time period up to the 1980s, institutional foundings far outstripped institutional closings.

So let us attempt to read the historical record of closures and foundings, starting with the period up through the 1920s. The era is marked by a punctuated burst of institutional births. The second Morrill Act of 1890 spurred on a new wave of land-grant institutions, especially those aimed at African Americans, further encouraged by the need to appear to offer “separate but equal” education after the 1896 *Plessy v Ferguson* decision. The increasing demand for well-trained teachers led to an explosion of new normal schools across the country that offered 1, then 2, then 3-year certificate programs. Most ultimately became state colleges.

As urban populations exploded due to both immigration and migration from the countryside, numerous institutions were designed to serve the needs of this growing adult working-class population seeking a better life, including many whose English needed improvement. YMCAs founded evening schools, often emphasizing legal and business training. Some of these ultimately morphed into colleges and universities, including Northeastern, Golden Gate University, Capital University, and Youngstown State University. Independent medical, nursing, and chiropractic schools popped up around the country, as did business schools, most of which served the needs of their day, but later, as we will see, merged into colleges and universities. Religious institutions continued to grow in number, especially Bible schools following the Moody model and those representing denominations that had not emphasized

higher education very much in the 19th century. A large number of these added higher education curricula that later allowed them to confer accredited baccalaureate or graduate degrees.

Closures rose fairly steadily from the 1890s to the late 1920s. Although the advocates of these institutions must have been disappointed to see them close or lose independent existence, the pattern of closures suggests an important aspect of the overall ecology of higher education: consolidation of institutions that were not financially or academically viable on their own, but which could flourish programmatically as integrated and merged parts of larger and more complex higher education institutions. In this period we see many independent professional schools – especially medical schools – merging with others or into universities. In the midst of this period the Flexner Report influentially bemoaned the sorry shape of American medical education, leading to the demise or transformation of many institutions.¹²

Formerly gender-segregated institutions increasingly merged together to create gender-integrated (“coeducational”) institutions. Denominational colleges were closed or consolidated by their parent organizations. There are, of course, institutions that simply closed, usually after years of enrollment and financial challenges, but in this period, as later, closures are probably better understood in the context of the overall ecology of higher education and the creation of transformed institutions rather than just as a story of a single institution’s failure.

The Depression and World War II period was, not surprisingly, a time of change. Not surprisingly, between the Stock Market Crash and the end of World War II there were relatively few institutional births, although there was a steady founding of religious institutions and junior colleges that eventually became 4-year colleges and universities. Although we would expect a bump in closures due to the Depression, it appears that its early days pushed many institutions over the edge, and the number of closures then stayed at a relatively low level, historically speaking, until after the close of the War.

¹² Abraham Flexner, *Medical Education in the United States and Canada: A Report to the Carnegie Foundation for the Advancement of Teaching*. NY: The Carnegie Foundation for the Advancement of Teaching, 1910.

In fact, colleges and universities made many creative adjustments during the Depression, even instituting emergency measures more tolerated by faculty during the emergency than they would be at other times. Institutions reduced faculty and staff and restricted their operations. At many colleges and universities faculty went without pay or took voluntary pay cuts. A few single gender institutions expanded their tuition base by become coeducational, at least in some programs. And many institutions turned to New Deal programs such as those associated with the Public Works Administration and the National Youth Administration for needed help.

World War II was hard on colleges and universities. The shortfalls and reductions of the Depression had not been alleviated but in addition, most institutions lost substantial male enrollment and some faculty as young men went off to war. More than a few institutions were likely saved from disaster by their eager participation in war work, including a variety of military training programs that brought in students, took advantage of their otherwise underused facilities, and supplied much-needed revenue from the federal government. In some cases these laid the groundwork for postwar program expansions, for example, in aviation. Some more previously all-male institutions now accepted women, at least temporarily or in limited numbers of programs to fill in war-time gaps.

The period from the end of World War II to the mid-1970s – the end of the War in Vietnam – brought many changes that affected the life and death of higher education institutions. Some of the forces encouraging growth in the early post-War period are well-known. The Servicemen’s Readjustment Act of 1944 – the GI Bill – filled classrooms, and pent-up demand flowed. The rise of federal support for science (and eventually other fields) helped to support research scholars, their students, and also underwrote massive infrastructure construction, at least in the sector of higher education labeled “research universities.”¹³ The postwar economic growth and baby boom had major

¹³ Jonathan R. Cole, *The Great American University: Its Rise to Preeminence, Its National Role, Why It Must Be Protected*. (New York: Perseus, 2009); Roger L. Geiger, *Research and Relevant Knowledge: American Research Universities since World War II*. (New York: Oxford University Press, 1993);

effects on higher education. The former created a fast-growing need for a better-educated and –trained workforce, while the latter expanded the “college-aged” population beginning in the 1960s.

The base of people expected to go to college changed. The assault on Jim Crow represented by the *Brown v. Board of Education* decisions and the growing acceptance of college education for women created an unprecedented demand for seats in college classrooms. The widespread anti-semitic admissions policies of the prewar period all but disappeared. As the war in Vietnam ramped up and as long as college deferments remained in place, a significant number of middle class (especially) men found college attendance an attractive alternative being sent to Vietnam.

During the relatively flush times of the post-War some institution closures continued on a regular pace, peaking in the early 1950s, and again in the mid-1960s, supposedly a golden age for higher education. Looking from an ecological point of view, these institutional closures often fed into the vitality of American higher education. More of the formerly stand-alone professional and technical programs consolidated together or into state universities. But the majority of institutions that met their end in those decades were those that ran against the grain of the time; for example, relatively small denominational colleges, often those that, not long before, were Bible colleges and seminaries. But it would be a mistake to think of the life cycle of these institutions as determined simply by market forces on them individually.

The high peak of closures in the mid-1960s reflects a crucial change in higher education – the end to formalized race segregation. Most notably, in the late 1950s Florida tried to pursue two goals at once by founding a large number of junior colleges – legislators recognized the need for much-expanded higher education given the growing influx of residents, and they still wanted to protect the old Jim Crow system in the face of *Brown v. Board of Education*. As a result, they developed a large, parallel race-segregated junior college system, willing to spend funds on duplication to avoid race integration. That system collapsed in the mid-1960s, when they essentially had to merge the two systems to create one legally integrated junior college system, most of which later became the state

college system. Meanwhile consolidation within denominational colleges continued, and we also see the beginning of consolidated of state public systems.¹⁴

From the early 1970s until the beginning of the 2000s there is a decline in both institutional foundings and closings. Far from representing a period of quiescence in higher education, there was, in fact, a tremendous amount of change afoot, perhaps with increasingly professionalized university administrations and state boards of higher education engaging in more planning and transformation to respond to, if not outpace the changes taking place in the larger society. Individual state-level campuses may not have been created at the same rate, but they were increasingly integrated into state systems that adjusted their missions on a system-wide scale. Large numbers of institutions ended their formal race-segregation policies or broke their de facto segregation through the late sixties. Only in the early 1970s were there relatively few institutions left to break the basic race barrier in any given year. Large numbers of formerly gender-segregated institution abandoned their single-sex policies up through the late 1970s, less because full-hearted acceptance of an ideological principle of gender integration or equality, and more because of a simple market imperative. Both male- and especially female-segregated institutions found their single-sex status hurt their enrollments and therefore finances. The end of conscription and the close of the Vietnam War had an impact on men's aspirations for college, especially in certain kinds of institutions.

Although higher education had become an expected part of the life course in the middle classes, at least, colleges and universities that thought about it knew that maintaining sufficient enrollments, and certainly growth, would be a challenge in the long run, although not all showed any recognition of that long-run certainty. The demographic changes could easily be predicted: the baby boom would quickly age out of the college cohort, a particular problem for institutions that had grown

¹⁴ Although one major work suggests that an important impetus behind mergers and consolidations is some notion that “bigger is better,” the more common themes have to do with non-duplication, coherent integration of the diversity of programs and offerings, functional differentiation of apparently duplicative programs, and rationalization of governance structures and processes. Whether these were successfully achieved in specific cases is another matter.

in order to accommodate the boom. Eventually the “baby boom echo” would move in to fill some of the gap, but that, too, was programmed to end.

As enrollment demand looked like it would soften, colleges and universities increased their programming and appeal to non-normative age groups, especially women seeking further education and training after taking care of children, and men seeking further education and training after their time in the military. Colleges and universities renewed their interest in various kinds of distance learning, and they welcomed more foreign students. The growth of the internet led increasing number of institutions to move at least a portion of their programs, or create new programs outside of the “bricks and mortar” world. Rapid advances in technology as well as new developments in the social world created an appeal for new kinds of programs, from those based in computer sciences, biosciences, and other scientific fields to interdisciplinary international studies, ethnic studies, and women’s studies. Institutions made many adjustments to sustain themselves during this period. Nevertheless, although very few institutions during this period simply closed outright, we continue to see a consolidation and mergers.

The more notable pattern is to be found not among the closures in that period, but the foundings: Since the early 1980s the rate of institutional births trickles down to a level lower than any in the past century. One relevant new phenomenon during that time was the rise of the for-profit higher education sector. Beginning in the 1970s, after the 1972 Higher Education Reauthorization Act allowed accredited for-profit institutions to enroll students with federal grants and loans. Following the originally dominant model of the University of Phoenix, founded in 1976, an increasing number of for-profit higher education institutions and systems entered the higher education market with great force. Although some sought new accreditation, many took advantage of the existence of failing institutions, negotiating to purchase their assets and run the institutions on the basis of their existing charters and accreditation. Existing accreditation was in some ways the most valuable asset because it assured that they would attract the tuition dollars of students supported by federal scholarship and loan funds. The

vulnerable institution thus would not “fail,” but would be transformed. But that transformation is another story.

Thus we come to the most recent period, which stands out for its tremendous readjustment and restructuring, as we already know. It is not unprecedented to see spikes in closures, although this one is steeper than we have seen before, and it is accompanied (as far as we know) by record lows in the birth of new accredited 4-year and graduate institutions. If we took account of the number of closures in relation to the number of institutions overall, no doubt this last peak would look less unusual. But in real institutional and human terms, a lot of higher education institutions have been failing in the past decade.

The reasons for the contraction – and its probably continuation in the future -- have been analyzed many times.¹⁵ The 2008 recession rocked many institutions back on their heels. States have been contracting their support of higher education for some time. The competition among institutions has become increasingly intense now that the size of the “college-aged” cohort has peaked and demand for spaces will likely decline, sometimes even more steeply, for some time, especially for private universities that must bring in tuition dollars to meet the vast majority of the actual cost of education. That decline will have different effects on different institutions because it will not affect hit the various regions in the same way, depending on the size of their young cohorts,¹⁶ and it not touch the elite group of institutions that can be very selective in their admissions because of their national or international prestige or other aspects of their “branding” as much as it will affect the rest – the vast majority of institutions.

¹⁵ Brown, Alice W. and Contributors, *Cautionary Tales: Strategy Lessons from Struggling Colleges*. (Sterling, VA: Stylus Publishing, LLC, 2012); Michael Fabricat and Stephen Brier, *Austerity Blues: Fighting for the Soul of Public Higher Education*. (Baltimore: Johns Hopkins University Press, 2016); Nathan D. Grawe, *Demographics and the Demand for Higher Education*. (Baltimore: Johns Hopkins University Press, 2018); Seltzer, “Moody’s: Private-college closures at 11 per year.

¹⁶ Grawe, *Demographics and the Demand for Higher Education*.

Already a large proportion of institutions are failing to meet their enrollment or revenue goals or both.¹⁷ There is no simple solution at the institutional level. The strategies and tactics they might use to compete in this enrollment arms race cost money or quality, or both, almost without exception. Most institutions, already living close to their margins, do not have the means to transform themselves, and especially for small institutions and the typical public institution, their belts are already tight. Moody's estimates that about "25% of private colleges are running deficits."¹⁸

This era is seeing more closures than ever before, but in many ways the pattern of closures does not differ markedly from those in other eras. These are mostly small schools that have lived close to the financial margin for a long time. They are mostly private colleges that depend on tuition dollars, but which do not offer a quality or scope of program that attracts student demand. Or they are faith-based colleges that may get some funding from a parent organization, but which also depend on tuition dollars and therefore student demand. These are mostly already not selective schools – there is not sufficient basement left to lower their qualifications bar and still enroll students who can handle college work. They mostly cannot afford to hire faculty who are very competitive on the academic market. They are often in small and rural communities where it is difficult to attract and retain a stable faculty. And unlike many of the elite schools, they do not have the endowment and other funds to cover scholarships, and they are not attractive enough to command the tuition dollars from wealthy students that allow them to cover some of the costs for less-well-off students. Much as their alumni, students, and faculty may love them, they are not offering programs, experiences, and credentials that attract students willing and able to buy in. Despite the American prejudice in favor of private higher education, there are alternatives in the public sector that where students who are not eligible for the

¹⁷ Scott Carlson, "How enrollment challenges can spur change," *Chronicle of Higher Education*, January 21, 2018. <https://www.chronicle.com/article/How-Enrollment-Challenges-Can/242276> accessed 2/25/2019

¹⁸ Jeffrey J. Selingo, "Despite strong economy, worrying financial signs for higher education," *The Washington Post*, August 3, 2018. https://www.washingtonpost.com/news/grade-point/wp/2018/08/03/despite-strong-economy-worrying-financial-signs-for-higher-education/?noredirect=on&utm_term=.183bc2ea5b32, accessed February 25, 2019.

more selective schools can seek higher education, probably of at least the same quality. The starving of public institutions is another story, for another time.

Table 1:
 The End of Independent Existence
 By Closure or Merger (with linear trendline)
 Higher Education Institutions, 1890s – 2010s

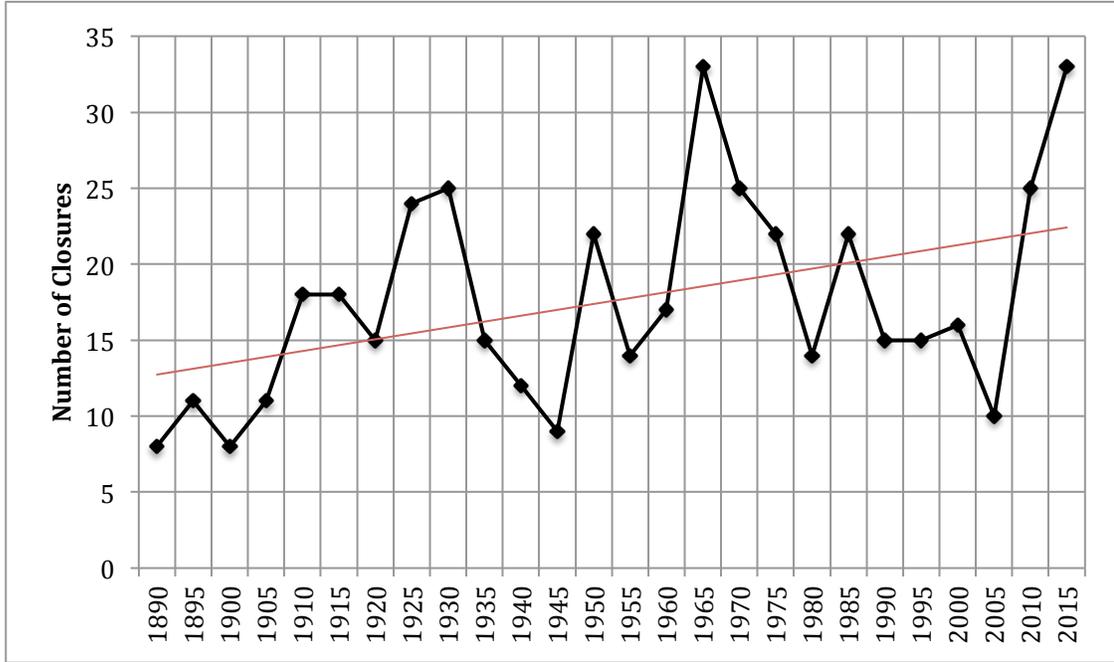


Table shows the number of institutions that lost their independent existence in each 5-year period beginning at the date listed (e.g. 1890-94, 1895-99). If two institutions are merged together in a year to create a new institution, that is counted as 1 loss. Source: Virginia Sapiro. 2019. *When the End Comes to Higher Education Institutions, 1890-2019: Data Source*

Table 2:
 The Institution Foundings and End of Independent Existence
 (with linear trendlines)
 1890s – 2010s

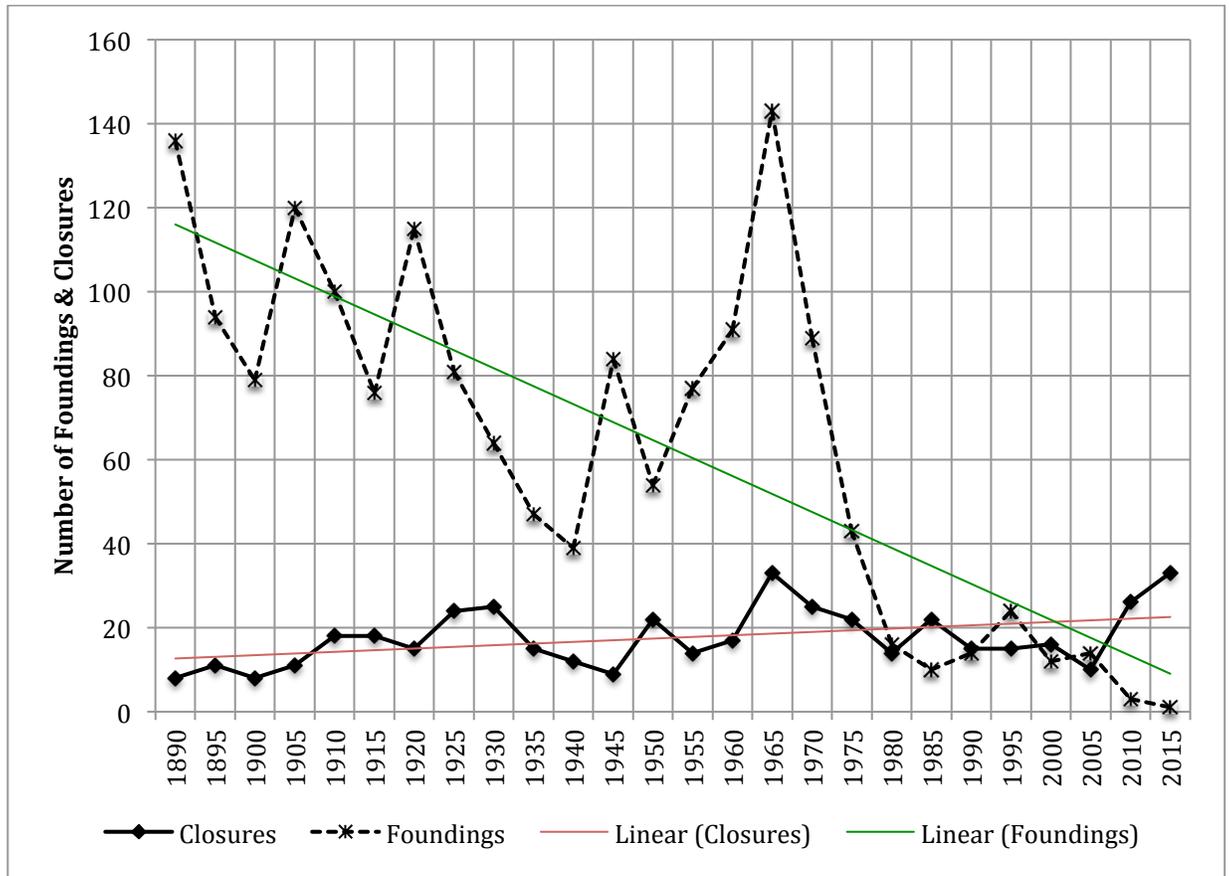


Table shows the number of institutions founded or that lost their independent existence in each 5-year period beginning at the date listed (e.g. 1890-94, 1895-99). If two institutions are merged together in a year to create a new institution, that is counted as 1 loss. A “founding” refers to an institution that ultimately was regionally accredited at baccalaureate level or higher or that is a genealogical predecessor to an institution that ultimately was regionally accredited at baccalaureate level or higher.
 Source: Virginia Sapiro. 2019. *When the End Comes to Higher Education Institutions, 1890-2019*:
 Data Source