



## HEADLINES

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## Obama: Education is a 'prerequisite of prosperity'

By: Anne Szilagyi

*Video Reporting by Karina Kling*

President Barack Obama told hundreds of University of Texas students that his administration is working to provide larger tax credits for the middle class and simplify the application process for federal financial aid programs.

Hundreds of Texans sat for hours in triple-digit heat at the University of Texas Monday, anxiously awaiting the arrival of President Obama. The visit marked Obama's first visit to Austin as president.

Obama spoke about the importance of higher education to a sea of burnt orange at Gregory Gym on the university campus. The president said a higher rate of college graduates in the United States will serve as a gateway to getting past the current "economic storm."

"In a single generation, we've fallen from first to 12th in college graduation rates for young adults. That's unacceptable, but not irreversible," Obama said.

Mr. Obama said his administration has a strategy to reduce higher education costs and increase graduation rates across the country.

The three-point plan is in part an economic plan that the president said involves three important words, "Made In America."

The president said first, the cost of college must become more affordable so that every American can have the option of pursuing higher education.

"I am absolutely committed to making sure that here, in America, nobody is denied a chance to go to college, nobody is denied a chance to pursue their dreams, nobody is denied a chance to make the most of their lives, because they can't afford it," Obama said. "We are a better country than that and we need to act like it."

Though Obama did not go into much detail about how the administration will reduce rising tuition rates, the president did call on university administrators to help ease the burden of college costs.

According to a [recent study](#) by the Texas Public Policy Foundation, university operating costs are continually on the rise, and the total cost per full-time equivalent student at the University of Texas at Austin increased from \$21,251 in 1980 to \$36,769 in 2008.

"This inability of administrators to contain expenditures has driven up Texas tuition rates an average of 8.96 percent annually since 1997," the study states.

Recent legislation, however, will help some students bare that cost. Obama noted his administration's success in transferring \$60 billion in "unwarranted subsidies" from student loan companies to future college students.

The legislation eliminates private lenders from making student loans through the decades-old Federal Family Education Loan Program, in favor of direct government lending.

"We're redirecting that money to make college more affordable for nearly 8 million students and families, and upgrade America's essential community college system," he said.

The legislation diverts \$2 billion in savings from that plan to a competitive grant program for community colleges, and another \$2.55 billion for minority and historically-black colleges.

Federal estimates also suggest that the Direct Loan Program would save the government \$68 billion over 11 years, money which would then be diverted to expand the Federal Pell Grant Program.

Mr. Obama said his administration is also working to create larger tax credits for middle class families, and has worked on simplifying the application process so students can obtain clearer knowledge of tuition costs and can better determine where to attend school.

"You should not have a PhD to apply for financial aid," he said.

Mr. Obama said the quality of college education in America must also change to ensure the skills learned in universities can be beneficial in productive careers.

"Institutions like the University of Texas are essential to our future, but so too are our community colleges, a great, under-appreciated asset that we should value and support," Obama said.

Mr. Obama called for educators to establish a better connection between the skills learned in community classrooms and the ones needed in local businesses.

The president completed his strategy outline by touching on the importance of graduation.

"Over a third of America's college students and over half our minority students don't earn a degree, even after six years," Obama said. "We don't just need to open the doors of college to more Americans, we need to make sure they stick with it through graduation."

To a crowd of cheering supporters, Obama ended by calling the commitment to higher education an "essential truth" to economic recovery, a recovery that he said can only be possible through the college youth of America.

"When I look out at all of you – when I look into the faces of America's young men and women – I see America's future, and it reaffirms my sense of hope," Obama said. "It reaffirms my sense of possibility. It reaffirms my belief that we will emerge from this storm and find brighter days ahead."

While most students seemed pleased with Obama's words, there was some skepticism about the president's goals.

UT student John Garcia said that he felt motivated to further his education after the president's speech, but thought some of his strategy was a "little bit of a stretch."

Garcia's classmate, Steven Cahail, shared a similar sentiment.

"I agree with everything he said, but I question how he is going to accomplish some of those things," he said.

Most students said they felt inspired by Obama's words.

"It definitely gave us a lot more hope to want to stay motivated and try my best to get an education without seeing any limits," UT student Macy Salasel said.

Emily Saleda is a first-year student at UT. She was given a voucher to attend Obama's speech, but said she would have camped out all night if necessary. She said Obama's words gave her hope as she begins her college career.

"It was totally inspirational, rather than mental," she said. "But the idea is really nice and if we put into application it could really help."

News 8 reporter Heidi Zhou has more reaction from students.

*Video reporting by Heidi Zhou.*

The crowd at Gregory Gym was limited to about 3,500 people, mostly college students, but that didn't keep hundreds of others from sharing in the experience of the presidential visit.

News 8 reporter Jenna Hiller has more from the crowd standing by for the coming and going of the president's motorcade.

*Video reporting by Jenna Hiller.*

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