U.S. Secretary of Education Linda McMahon's remarks at the White House Roundtable, "Administrative Bloat and Low-Value Programs: How U.S. Universities are Failing American Families and How They Can Reform," on November 19, 2025:

It is an honor to meet with you today and come together to discuss how we can best serve our students.

Understanding where we need to improve starts with a hard look in the mirror. Let me be blunt: American families are losing faith in postsecondary education, and they have a right to. It's not because they don't value education or because their children have suddenly lost a desire for learning and discovery. It's because everyday Americans are realizing how many universities operate like machines that take in wide-eyed freshmen and churn out indebted graduates, many of them holding degrees that do not pay off. Far too many students don't graduate at all.

Most young people pursue postsecondary education because they want to learn, grow, and find professional stability in an uncertain world. But the difficult truth is that the cost of higher education has skyrocketed while students' post-program success metrics have plummeted.

Between 1990 and 2020, college students' average net price for attendance, after grant and scholarship aid, rose 93%, even when accounting for inflation. Graduate degrees, once seen as surefire paths to stability and success, are even worse. From 1990 to 2020, graduate tuition skyrocketed by 340%.

What happens when costs explode? Students borrow. From 2000-2020, the number of Americans owing federal student loans doubled, and the total value of what they owed increased by over 350%. Young people borrow because of the imagined security postsecondary degrees provide. They trust that university leaders and educators will deliver high-quality educational programs that justify the price tag, and then some.

This investment might be worth it if a degree offered a reliable return on investment. Sadly, the results are often lackluster, even dismal. A survey of undergraduate and graduate degree programs estimated that 23% of bachelor's degree programs and approximately 43% of master's degree programs have a negative ROI.

That means 23% of college graduates would've been financially better off if they had never enrolled at all.

Imagine if this occurred in any other industry: if nearly a quarter of Cadillacs were so unreliable that you'd be better off walking or taking the train, they'd be pulled from the market in a heartbeat.

No wonder, according to one recent calculation, undergraduate enrollment is expected to drop by 575,000 students between this year and 2029.

So, how did we get here?

Part of the answer is undeniably administrative bloat.

Many universities have a dizzying number of administrators – deans, associate deans, vice deans, coordinators for coordinators, and entire departments dedicated to public relations, "Diversity, Equity, and Inclusion," and "campus experience enhancement." What do these titles really mean? How many of these employees even interact with students on a day-to-day, or week-to-week basis? According to Forbes, since 2023, the California Institute of Technology, Duke University, and the University of California, San Diego have *more non-faculty employees on campus than students*.

And at the same time as universities hire administrators in record numbers, they also offer a host of low-value programs with limited relation to market value.

New York University's undergrad film degree costs over $200,000. Film graduates' average early salary? Approximately $25,902 nationally. (NYU graduates earn a median early salary of about $56,749).

Approximately 85% of Arts and Humanities Master's Degrees – which include programs like "gender studies," "cultural studies," "museums studies," journalism, graphic design, anthropology, and sociology – have a negative increase in lifetime earnings after accounting for the cost of the program.

We have constructed an educational theme park – flashy, fun, but not practical for those seeking opportunity and advancement. Schools are boosting revenue by marketing the fun to students, even if they don't complete their degrees.

For too long, badly calibrated financial incentives have driven universities to squeeze tuition revenue from taxpayers and young, impressionable individuals instead of preparing them for rewarding and remunerative careers. Institutions have lost the public trust because they betrayed their mission to serve students and instead turned students into debt-financed ATM machines.

Thankfully, this Administration is making reforms that the American people have talked about for decades.

First, under the *One Big Beautiful Bill Act,* we are adding caps to federal student loans for graduate programs. The federal government will no longer sponsor $150,000 master's degrees that saddle graduates with debt that they are not well equipped to repay.

An uncapped loan system is like giving universities a blank check. If students can borrow unlimited amounts, schools can charge unlimited amounts. Schools raise tuition; students borrow more; and taxpayers subsidize it. Thanks to the reforms in the *One Big Beautiful Bill*, schools will no longer be able to abuse unlimited federal loans to fund low-value credentials. They must justify their prices, demonstrate real value, and rethink spending.

We will also implement an earnings test for all degree programs. In order for a program to be eligible for federal student loans, the typical undergraduate must earn as much as what the

typical high school graduate is earning in their state, and the typical graduate student must earn as much as the typical bachelor's degree-holder.

This is not a high bar. It should be the bare minimum to insist that a student who is taking out thousands of dollars in loans to finance their education should earn more than they would have if they had they not pursued that degree. Not every major needs to be an economic powerhouse – but no major should routinely impoverish the students who pursue it.

Finally, we believe that every student should be able to make an informed decision before taking on thousands, if not hundreds of thousands, of dollars in debt. Accordingly, we intend to enact transparency measures to ensure that students understand what they are borrowing and their projected outcomes.

Today, it is my great hope that all of us can work together to ensure that we are being responsible stewards for the next generations of Americans. That starts with recentering our focus.

School should not be a moneymaking scheme at the expense of taxpayers and young people. A quality education system is vital to every facet of American life: our economy, our national defense, the preservation of our freedom. And the greatest return on investment is equipping the next generation to carry the baton of the American Dream for decades to come.