

advancement and dissemination of knowledge, it then falls upon the business officers to provide for these physical and financial needs. The furnishing and operating of the physical plant and the financing of the whole enterprise of higher education may properly be termed "the business of higher education" and should be under the guidance of business officers with responsibility to the president only. This may be considered theoretical, but it is theory that is being put into successful practice by some institutions.

Student loans cannot be advantageously handled until some definite policy such as the one discussed above is established with regard to the scope of authority between the business officers and the academic officers of the institution. The fundamental wrong with student loans may be traced to the organization of the university itself and the consequent lack of definiteness which the institution has in its business relations with the student. It is at this point that higher educational institutions have been losing a great opportunity to train the student in the practical affairs of life. This training need not be confined to those who borrow, for all students can be required to budget before entering college. Those who borrow will simply receive additional training in the financing of themselves on a credit basis. This can be done by making loans in monthly allowances rather than in one large amount. Payments of the loan will be made in the same way which means that the transaction will cover a period of eight to ten years. Promptness and precision in dealing with the student in this matter cannot fail to be a valuable lesson to him in the fundamental principles that make for success. A large proportion of the students borrow and will therefore profit by such training. Similar training can be extended to those who do not borrow. This group will also be required to budget themselves before entering college. Some will have to budget to see what loans they will require, others will have to budget so as not to be forced to resort to loans, and the rest will have to budget so as to use most efficiently the resources which they have at their command. Thus all students will be receiving a training in proper personal business management.² To accomplish this end, however, it is necessary that a definite line be established between the business side of the institution and the academic side, and the proper cooperation be brought about between these dual organizations. Institutions will then become more efficient, and the student will come out of the institution a better product.³ There is no reason to suppose that his academic training would be inferior under such a system and, on the other hand, he would receive a training in practical affairs that would better fit him to deal with the business world. Every individual must realize sooner or later in life that the world in which he lives demands

² See Appendix A.

³ A more elaborate discussion of this will be found in the text, pp. 82-89.