

ciate being dealt with in a firm manner, if the firmness is of a high type. They would rather be looked upon as young men who have a business to transact than mere boys who need assistance.

Many objections will be raised against the introduction of business principles into philanthropic works. To refute these objections it is possible to show that most of the great philanthropists were first great business men. It is difficult to decide in which role they have accomplished the greatest social good. Constructive philanthropy of the highest type approaches efficient business ideals. They approach, at times, each other so closely that they are often indistinguishable.⁵

The value to society of good business is so great and philanthropy so surrounded by risks that one should hesitate to advise the successful shoemaker who is constantly striving to produce a better pair of shoes to trade places with the man who is endeavoring to give away large sums of money intelligently. The change might involve too many possible changes of disappointment, if not actual failure.⁶

Student loans cannot be divorced from the business of higher education. Higher education will have to assume a new form of administration and such administration will have to approach the best forms of business ideals. Our universities and colleges are now taking only emergency measures and accomplishment is lagging far behind opportunity. They will have to adopt in an intelligent and earnest fashion more business-like methods of organization in order to adjust themselves to the rapidly changing conditions of American life. Institutions of higher learning can meet these demands by radical reorganization.⁷ The faculty must be faculty and the business officers must be allowed to be business officers. The president must be a unique individual.

America has a different problem to meet in higher education than Europe. Ours is a young and rapidly changing society; Europe is an old and more or less static one. Since our universities and colleges are failing to keep in advance of changing conditions, they must either take bold and rapid steps forward, perish, or remain a remnant of the past—a haven for slumbering scholars.

New financial policies will become necessary. The individual, at the time he receives his education, will be called upon to pay a larger proportion of the cost. If a sufficient amount of additional funds is to be secured to carry on the changed organization, the objectives of the university and college will have to be shown to be useful, commercially sound, returning a reasonable rate of interest or some combination of these objectives. These values are not necessarily commercial values only, for usefulness may be

⁵ W. E. Harmon, "Business versus Philanthropy", *Harmon Foundation Bulletin*, Sept., 1925 p. 4.

⁶ *Ibid.*, p. 5.

⁷ Similar statements have been attributed to Dr. R. Pound and Dr. A. Flexner in an Editorial in the *New York World*, Oct. 4, 1925.