

stronger than the arguments for educational support in general, because it would show definitely what was to be accomplished, what interests were to be served, and who was to be benefited. A financial program of this kind might enable higher education to receive support commensurable with its importance. The importance of higher education must not be minimized, for the day is not far off when a nation's greatness will be measured by the hundreds of millions it spends for education rather than by the millions spent for the maintenance of armies and navies.²⁹ If business methods were used in the handling of educational funds and if its support were sought on a definite basis of what it produces rather than the indefinite basis of "benefits to society" and the sentimental basis of "loyalty to one's Alma Mater" the necessary funds would be obtainable. It would mean a more efficient way of administering funds and a more business-like way of securing the necessary financial support to carry out the various purposes and aims of higher education.

An editorial in the *Educational Review* on "Costs of Higher Education" referring to money spent for this purpose states:³⁰

While the amounts of money appropriated or received from private sources for education, especially higher education, have increased, the needs have outrun them by leaps and bounds, and accomplishment seems to be lagging far behind opportunity. It is doubtful whether the situation can be possibly met merely by increased endowments and appropriations. Essential as these needs are, alone, and unaided by intelligent management, they will scarcely serve. The economy that is demanded of many citizens in business and in private matters is no less needed in public affairs and of all concerns of the public the need is probably the greatest in higher education. We cannot continue in the vicious circle of constantly striving to increase academic income to keep pace with the diminishing value of the dollar. The real remedy must be found in a wiser use of educational funds. Questions of wastefulness and duplication are not confined to any part of the country; the need of an economy in higher education is everywhere urgent. All institutions seeking the support of public and private wealth, especially in this period of unprecedented expansion and high prices, should satisfy both themselves and others that their existing means are being used to the best advantage. Only thus can further stewardship be justified, when financial demands are everywhere so large and insistent.

2. Proper cost allocation would advance the educational ends of institutions by making larger funds available for the carrying on of intellectual endeavors rather than having the intellectual accomplishments await the proper financial support. Intellectual activity and aims of institutions would be less dependent upon financial strategy. A reversal of present financial policies is needed in order that we may realize from the untapped sources of support for higher education.

3. Such cost allocations would mean higher tuition and fees, which present a perplexing but not insurmountable problem. Having decided

²⁹ Seligman, *Op. Cit.*, p. 450.

³⁰ September, 1920, pp. 173-176.