the Student Loan Information Bureau reveals that the annual shortage of money for student loans is approximately one million dollars. If we figure on a ten-year cycle for revolving loans, it means that at least ten millions of dollars more could be effectively used in this field. This means lending on the conservative basis that is the practice today. If a more liberal policy is to be extended, which is believed by many to be desirable, this amount could easily be tripled, creating a need of something like $30,000,000 more during the next ten years in the United States. This is in addition to funds already available. The maximum average amount which a student can borrow today is about $300 during his entire college career. One institution is contemplating "seeing the student through" by lending him $500 annually for four years, after a careful selection of the risk. This would mean $2,000 loaned to each student. Such a sum is not excessive, compared to what many students borrow today, if all his loans from different sources were added together. If this figure is used as a basis, the above figure ($30,000,000) then rises to $190,000,000 which could be used in the next ten years for student loans in addition to funds already available. This would permit the raising of fees and thus increase the income of institutions. It would also make money available from outside sources for loans and enable institutions to use for other purposes the funds they now set aside for loans, fellowships, and scholarships. In turn, the budget deficits of colleges and universities could at least be met in part by funds thus released. Where such a fabulous sum (even $30,000,000) can be obtained is problematical. At least it is possible to say that present funds are far from adequate and the reason, no doubt, is because past funds have been so poorly administered that confidence in student risk has been destroyed. The result has been that individuals are reluctant to leave money for this purpose. Students, therefore, have borrowed from home where the money very often was needed for other useful purposes, or from friends and relatives, many times bringing about an embarrassing situation. Nor have such funds been obtained gratis, for many students pay commercial rates of interest on the money so obtained and not infrequently an even higher rate. Any college can raise money for a use of demonstrated soundness that will stand the test of economic value.

Although some may object to the group guarantee scheme, it has many commendable features and will make funds available to help students finance themselves without any financial or social embarrassments. The surplus amount charged for the guarantee is the one feature against which objections have been lodged. If this could be done away with, the scheme would be self-defensible. But even this feature has a worthy element if viewed from a broad aspect. It is the phase of the scheme which brings