

The Educational Institution

Colleges and universities must, therefore, administer at least some of the student loans, but there exists no unanimity of opinion as to how they can best do this. Past experience does not prove a valuable source from which to draw, so it is necessary to turn to organizations other than the universities and colleges. The most fruitful fields from which to draw, as this thesis indicates throughout, are those of commercial and investment lending. Higher educational institutions need to work out new policies and develop a system for the administration of student loans. Such policies and system can be built by taking over the most effective elements to be found in commercial and investment banking; in the Harmon plan; in systems used in Europe; and also by making use of the principles which are set forth in this study as the results of an inquiry conducted by the Student Loan Information Bureau.