

# THE INQUISITR

## Three Ivy League Schools Sue Students Over Loans

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Three Ivy League schools are suing students over student loans. US borrowers defaulted on almost \$1 billion in federal student loans that were earmarked for the poor, causing schools like Yale University to sue their graduates to reclaim money.

Court records show that Yale, the University of Pennsylvania, and George Washington University have all sued their former students over nonpayment.

No one currently tracks the number of lawsuits related to student loans, reports Bloomberg. Students defaulted on \$964 million in Perkins loans in the year that ended June 2011, according to government data.

Unlike a federal loan, Perkins loans are administered by colleges. They use repayment money to lend to other poor students. Deanne Loonin, an attorney for the National Consumer Law Center, stated:

“If you borrow to go to school, it may not be just the government that ends up coming after you if you can’t pay. We offer credit very easily.”

While some students do have legitimate excuses for their inability to repay their loans, Neil McCluskey, an associate director at the Cato Institute in Washington, D.C., believes that students are to blame for their lack of responsibility, notes The Christian Post. McCluskey stated:

“You could take a job at Subway or wherever to pay the bills and that’s something you need to do if you have agreed in taking a loan to pay it back. It seems like basic responsibility to me.”

While some Ivy League schools are suing their students over loans, other universities have stated that pursuing litigation is not the best way to solve the problem. A representative from the University of California explained, "It's not that we wouldn't do it. It's not that practical."