

# NATIONAL REVIEW ONLINE

## Phi Beta Cons

The *Right* take on higher education.

### The New Report on Private Student Loans

By [George Leef](#)

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The Department of Education has just released a report that blames private lenders for the woes that many students are facing. Neal McCluskey of the Cato Institute [writes here](#) that it's ironic, since the 800-pound gorilla that the report ignores is the enormous federal student-lending program.

Neal observes the similarity between the housing bubble and the mounting troubles with student loans — the federal government was at the root of the problem, but attempts to divert blame by scolding the private sector.