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Side effects of student loans

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Re "College loans, no middleman," Editorial, April 2

Private lenders were indeed getting a sweetheart deal from the guaranteed student loan program killed under healthcare reconciliation.

Don't kid yourself, though, that plowing the savings from ending the program into other aid efforts is going to make college any more affordable. As decades of tuition inflation starkly illustrate, the main thing that increasing aid does is enable colleges to raise prices at breakneck speeds.

Lenders might be coming off the dole, but colleges will be even more firmly on it, students will be no better off, and taxpayers will continue to lose big.

Neal P. McCluskey

Washington

The writer is associate director of the **Cato Institute's** Center for Educational Freedom.

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Your editorial claimed that money will be saved by the government takeover of the student loan program, but ignored other consequences.

The government will have to hire workers to perform the duties of the private workers who will be fired. This new bureaucracy will grow without the constraint of competition. The loan process will become subject to politicization. Also, this program does not always require full payback, which will encourage students to study in programs with relatively low demand and low pay.

The student loan program is the primary cause for increases in college tuition.

Ron Castles

Torrance

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