

Beggared by our own universities

The current economic crisis proves everything leftists have ever said about the follies and cruelties of utopian capitalism – truly enough, anyway, to afford a moment at Wall Street's expense, and a laugh at all those arrogant university economists, their phoney expertise disgraced by incorrigible facts. Hail Bernard Madoff, Representative Man! Expose the frauds, fools, accomplices and suckers!

Since the 1990s, especially, the honest scholar has felt utterly disdained by the nation's over-monetised institutions. Now the confidence man has burst out of the ghettos of economic history to wallow in all the filthy lucre.

I do not own, and have not wanted, the things for which all those risky bets were ventured – a car, a house, a second house, a mobile phone, an iPod, a television. I have no private health insurance, neither for myself nor for my wife and three-month-old child, because I have not held a regular, full-time job for 20 months.

What diffident and principled years these have been, neither gaining in wealth nor laying up against the future. I have had nothing to do with money, nor it with me. What had I to lose to the likes of Madoff? From idealism, moreover, I have reaped much that cannot be bargained away. I have been left untouched by the current crisis in respect of its psychological deprivations. Indeed, it has made me rich with examples of why the non-conformist Left, at least, is still so appealing.

And then I remember my student loans. To judge from the Obama Administration's higher education budget, I am not alone in trying to forget them.

Of the radical new ideas suggested by the budget and pending in the US Congress, the White House's plan to eliminate

the guaranteed student loan programme – by which the Government has subsidised predatory banks and lenders of dubious ethics – has stirred much gratitude in the parts of higher education that still care for learning.

The US Government itself will originate the contract and terms of the loans, funnelling the dollars thus saved into Pell Grants for low-income students. If this measure does not solve the riddle of making college affordable, at least it may throw some of the loan sharks out of work. But to those of us holding outstanding loans we cannot possibly repay, Obama's budget says nothing at all.

Alan Michael Collinge's *The Student Loan Scam: The Most Oppressive Debt in US History – and How We Can Fight Back*, inarguably demonstrates how we have been beggared by our own universities.

Five million proud holders of bachelors, masters and doctoral degrees have defaulted. Congress made things worse by going out of its way to strip our loans of the slim consumer protections afforded to equal debts, while making them immune from discharge in the bankruptcy courts. Thanks a lot!

Between outrage and neglect, where does the hopelessly impoverished scholar stand? Don't we deserve a bailout? Of course we do. And the effect of the Department of Education forgiving student debt would be enormous and of lasting social value. Creativity would be unleashed.

The real question is how those of us who regard money – then, now and for ever – as the enabler of vulgar passions can learn to live in societies utterly consumed by it. One thing is for sure. A squabbling politics of bribes and bonuses will yield us no profit.



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