

# Student debt assignment

Business



The cost Of education has risen and obtaining a college education has become more difficult than ever now due to the sky rocketing cost of college tuition. In today’s economy with such limited jobs available, often students graduate and are unable to find decent paying jobs in the field that they studied. With the rising costs of college tuition, many students are forced to work and apply for student loans which put them in a financial mess after they graduate. Many students struggle over the years just to pay off their college debts.

These days it is difficult to find a good paying job that doesn’t require a college degree, therefore getting a degree should be made more obtainable for students. One might argue that grants and financial aid are available to students; however students still struggle to pay for their college tuition.

Student loans differ from other loans in many ways, firstly their interest rates are at six percent, which is higher than those of home loans. Also, students do not negotiate with the lenders.

They have to begin paying off their debt six to twelve months after graduation. It is required by law, whether the student completed their studies or not. (Foley). Millions of students are graduating each year and many of them will have to pay back thousands of dollars that they borrowed. But is it worth the cost? “ Approximately 47% of students enrolled in school have borrowed money to finance their college education. The median debt is \$38, 1 00 and 73% said that they owe more in student debt than they can manage. (Levi) The bigger problem at hand is that students are graduating and are either unemployed r underemployed. Today’s bad economy makes it more difficult to find a way to pay down these debts. According to a recent

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article in BBC News, “ the unemployment rate for adults ages twenty to twenty-four remains at 12. 5%, about 1. 5 million bachelor’s degree holders?? 53. 6% are unemployed or underemployed” (Levi). The high college debt combined with such low job opportunities is the result of this economic fallout.

It is obvious that young adults are taking on the debt. More than half of all student loans are now lenient or in deferral, according to a recent study by Transition (Levi). The cost of attending college has risen tremendously. Going to school is hard enough without worrying about how you are going to pay for it. The cost of college is extremely high compared to the amount Americans make. This issue affects me because I am college student, along with many of my peers and hearing about their struggles with paying for college is something hear about often.

While going to college is important, it can be tough to pay for it. Some students have to rely on student loans to pay for it. While many jobs require a degree, the cost of getting one has risen very dramatically over the years. Colleges seem to be able to raise tuition with a moments notice and expect the students to deal with it. Loan rates will possibly double to 6. 8% and the government has done nothing to deal with the ever growing problem (Levi).

Instead of ignoring the problem, the government should work on ways to stop tuition increases and find ways to make obtaining a degree a lot easier on the wallet, while also helping millions of American graduates obtain well paying jobs that they’ll need in order to pay down these debts. College debt has a lasting effect on young Americans. The bad economy has left young

individuals struggling to get ahead. “ It only makes it harder to purchase homes, cars or any other big ticket items and it acts as a drag on growth. It prevents young people from establishing themselves.

They have a degree in hand, are drowning in student loans and yet no job. After graduating, they are . NET out into the world with a “ negative net worth” “(CTD in Lowery). The opportunity to further one’s education should be made a lot easier. Any willing person who wants a higher education should be able to receive one. Money should not be an issue when wanting to learn more. Without students contain nuking to grow our country all together will not continue to grow nor succeed. The government should take that into consideration, especially when they rise tuition costs at a moment’s notice and hike up interest rates on student loans.