

Loaded with debt

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As the cost of a university education has skyrocketed, the nation's 50-year bipartisan commitment to making college affordable has faltered. That commitment was based on the belief that "no qualified student who wants to go to college should be barred for lack of money," to quote President Richard M. Nixon, and it has been acted on in government grants, work-study programs, and low-interest loans for financially needy students. But over the past three decades, this network of programs has been drastically outpaced by the steep rise in the cost of attending public and private universities.

The price of in-state tuition at public universities has tripled in this period, largely because of sharp cuts in funding by state legislatures. It is no longer possible to finance a college education simply through a combination of work-study programs and summer employment. The gap in funding has been borne by families and students, largely by having students take out more and larger loans. Nearly 70 percent of college students now graduate in debt, with the average debt close to \$30,000.

Studies have shown that student debt under \$10,000 is manageable. Above that amount, the debt load hampers individuals from starting families, buying homes, starting businesses, and saving for retirement.

The debt burden affects all students, but especially those whose families have the least wealth to begin with. Low-income students end up with the most debt, and

they and their families, have the fewest resources for managing it. The consequences of defaulting on the debt, which undermines a person's credit, are more drastic for low-income students.

Minority and low-income students are also most likely to struggle to finish their degrees and more likely to drop out of school in order to support their families, either by taking a job or by assuming a caregiving role. They often end up heavily in debt and without a degree to show for it. And, of course, the prospect of debt may discourage low-income students from pursuing college at all.

One arena of reform is to press universities to raise graduation rates for low-income students. If the schools are going to rely on the proceeds of loans that students take out, they should be required to give students the academic support they need to succeed. The focus of reform, however, must be on making college truly affordable by lowering tuition at public universities—and that means a greater investment by states and the federal government.

Colleges by themselves cannot erase social inequalities or solve disparities in educational preparation, but they remain crucial to economic success. Having graduated from college remains a key predictor of social mobility. Making college affordable is a public good, a necessary component of democracy.