Age is No Barrier to Student Debt: It is Crushing Us All

Did they tell you these loans would be easy to repay?

Did they say a college degree would guarantee you a job?

37 million Americans now owe a combined 1 trillion dollars in student loans. Over 25% are delinquent. There are more people between the ages of 30 and 49 paying off student loans than people under 30. Many of them, and maybe you, are forced into low-wage jobs in order to immediately start making payments back to banks and lenders, and will still be paying your loans while trying to figure out how to send your own kids to college, take care of your parents and save for retirement. This is bad for us, and it takes money out of the consumer economy where it is greatly needed.

College tuition is free or nearly so in Sweden, Norway, Germany, Denmark, Netherlands, New Zealand, Ireland and France (to name a few) because their governments decided it should be. In contrast, our government has decided that we should have the 2nd highest tuition cost in the world, and that students should shoulder debt to pay for it.

The President’s Income Based Repayment Program allows some borrowers to pay 10% of their discretionary income and have the loan forgiven after 20 years. This is good, but not enough. If banks, farms and auto corporations can be bailed out, why not some help for us?

Join us in raising awareness of the student debt crisis and calling on President Obama to pass an executive order to:

- Allow all student loans to be repaid at an annual rate of 10% of discretionary income and be forgiven after 10 years.
- Expand the program to cover all student loans, public and private.

Get involved in the Drop Student Debt campaign locally by contacting dropstudentdebt@dusa.org. Democratic Socialists of America members use tactics from legislative to direct action, to fight for reforms that empower working people. www.dusa.org
Petition Background

Student loan debt buries 37 million people in the United States and now exceeds $1 trillion.

Higher education is increasingly treated as an individual commodity, rather than a public good or an investment in our collective future. As a result, millions are putting off major purchases and life decisions—especially graduates of color, who have disproportionately higher debt. This has crushing ripple effect on our economy: students and recent graduates are forced into low-wage jobs in order to immediately start making payments back to banks and lenders; instead of stimulating the economy by spending millions of dollars, many are pinching pennies to just try to keep up with the interest on their loans. Meanwhile, total public and private tuition costs are $170 billion per year—one fifth of what we spend on the military per year. We can afford to do better.

Rising student loan debt is both unnecessary and causes an undeniable and significant drag on the economy. In short, student loan debt has become the latest financial crisis in the United States which could pop like the housing bubble if we don’t resolve the problem, and in the meantime leaves millions of people facing the pain of crippling and unnecessary debt.

This is NOT only a "young person's problem." Most of the student loan debt is owed by people older than 30, and they are forced to put dreams of a house, a family, a future, on hold.

We can make student loan repayment simple and fair and provide a lifeline for student borrowers who have fallen on difficult times.

Outstanding student loans have now passed the trillion dollar mark. On average, students borrow $26,000 to pay for an education which is either free or of minimal cost in most advanced countries. Money going to repay banks and federal loan agencies could instead be going back into the economy.

The Income Based Repayment Plan, allowing some students to pay 10% of their discretionary income for 20 years and have the rest of their loans forgiven, is only a first step. It is not enough for the 37 million student loan borrowers in our country.

We respectfully ask for an additional executive order that will:

- Allow all student loans to be repaid at an annual rate of 10% of discretionary income and be forgiven after 10 years;
- Expand the program to cover all student loans, public and private.

Therefore, we, the undersigned, request President Obama to pass an executive order to help the millions of graduates who, with each passing day, find that the American Dream is more and more out of reach.

More information about the existing Income Based Repayment Program here: http://studentaid.ed.gov/repay-loans/understand/plans/income-based