What is the impact of $37,000 of student debt on a worker's life?

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17 December 2020

The International Youth and Students for Social Equality (IYSSE) is fighting for the immediate abolition of all student debt. Join the IYSSE at iysse.com.

The average student in the United States today leaves college with $37,172 of debt from student loans. All told, national college debt stands at a staggering $1.56 trillion, the highest figure ever recorded for student debt.

A major factor in this immense rise in student debt has been the constant increase in college tuition, which has risen by 1,140 percent since the late 1970s. Despite this massive spike in college tuition over the last five decades, the median household income has remained unchanged since 1999.

More millennials, those aged 24 to about 40 years old, have a college degree than any other generation of young adults. In 2013, 47 percent of 25- to 34-year-olds received a postsecondary degree. For most, however, getting a college education has not led to a significant increase in quality of living.

Instead, millions of young people leave school shackled to the banks. This reality is having a staggering impact on the social behavior of an entire generation. Millennials are delaying life milestones such as buying a house, having savings or investments, getting married, starting a family, and pursuing a graduate degree.

For Gen Z, those younger than 24, the situation is gearing up to be the same, or even worse, due in part to the disastrous conditions caused by the pandemic. In fact, almost 50 percent of the high school class of 2020 changed their plans as a result of the pandemic according to a survey by Junior Achievement and the PMI Educational Foundations.

Of those who made a shift, 36 percent said they will not work, 32 percent decided to delay their start date for college, and 16 percent changed the career path they wish to pursue.

Under the current conditions, in which millions of people are unemployed or underemployed, student debt becomes even more debilitating. And, for millions of high school graduates, the prospect of piling up a mountain of debt in the face of an immense economic crisis is enough to deter them from pursuing a higher education at all.

For those working class youth who decide to take the risk, the impact will be deeply felt on all other aspects of their lives.

What exactly is the impact of $37,172 of student debt on a worker's life? Below are 10 facts that illustrate the obscene amount of student debt held by young people and its lasting impact on their lives:

1. The total student debt in the US could be paid for in full by less than 2 years' worth of the current US military spending, which now stands at $934 billion. The cost of one small diameter bomb could more than cover the average student debt load.

2. The number of hours of minimum wage work needed to pay in-state tuition and fees for each year of a four-year public college for the "Baby Boomer" generation (born between 1946 and 1964) was 510. For millennials, it is 1996. Millennials have taken on a staggering 300 percent more student debt than their parents' generation.

3. More than 3 million people over the age 60 are still paying off college loan debt.

4. The average time to pay off student loan debt is 21.1 years. Assuming that a young person goes to college immediately after graduating from high school and takes only four years to graduate, that would mean the average age to complete paying off student loan debt would be over 43.

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5. It takes only 16 seconds for Jeff Bezos to make the average students' total student debt.

6. More than 4 in 100 Americans die with student debt. About 68 percent had credit card balances at the time of death. The next most common kind of debt was mortgage debt (37 percent), followed by auto loans (25 percent), personal loans (12 percent) and student loans.

7. The national average income for a service worker is $31,083, while the average student debt is $37,172. According to GlassDoor, the national average salary for Amazon Warehouse Worker is $28,677, approximately $8,500 less than the average national student debt. ZipRecruit announced that as of November 10, 2020, the average annual salary of a Starbucks Barista is $24,208 which is approximately $13,000 less than the average national student debt.

8. Student loan debt is the second highest form of consumer debt category in the United States according to research released in May 2019 by Federal Reserve Bank of New York Research and Statistics Group. Mortgage debt being the highest, student debt loan is higher than both credit cards and auto loans.

9. Of consumers filing for Chapter 7 bankruptcy, 32 percent carry student loan debt. Of that group, student loan debt comprised 49 percent of their total debt on average. Student loan debt, by a wide margin, makes up the largest proportion of the average bankruptcy filer's total debt if that filer also has student loan debt.

10. Compared to those without student debt, graduates with debt also have lower rates of attending graduate school, owning a home, and having savings or investments. A survey from the New York Times revealed that for people aged 20 to 45, for those who did not plan to have children, 13 percent cited having too much student debt as the reason.

The rise in student debt is part of an overall attack on public education overseen by both Democrats and Republicans. This includes the dismantling of public schools through privatization, the promotion of charters, and the transformation of universities into profit-making enterprises subordinate to the interests of giant corporations and the military-intelligence apparatus.

Student debt is without a doubt one of the most prominent issues for young people, affecting every aspect of their lives.

Under the current pandemic conditions, where emergency or unexpected expenses could arise at any time, the burden of student debt together with rising unemployment rate is crushing young workers. In fact, young workers are vastly over-represented in sectors that were devastated by the pandemic, such as retail and food service. Earlier this year, more than 7.7 million workers younger than 30 became unemployed, which is equivalent to one in three young workers.

As the ruling elites and the mass media scapegoat young people for the spread of the pandemic, university students are being forced to pay full tuition for rushed and unplanned online learning programs.

The International Youth and Students for Social Equality (IYSSE) is fighting for the immediate abolition of all student debt. We believe that everyone should be able to attain a college education without being required to enter the modern equivalent of indentured servitude. Public education is a social right, not a privilege.

The ruling class claims that there is no money to finance free public education, but trillions are made available for war and gambling on Wall Street.

The IYSSE demands that the hundreds of billions of dollars locked away by the rich be expropriated and directed to meet social needs, including the abolition of debt. The student loan servicing companies, loan shark operations which make billions of dollars every year off repayments, serve no progressive purpose and must be liquidated.

The IYSSE insists that the fight for the right to education free from debt is inseparable from the fight against the capitalist profit system, requiring the political mobilization of the entire working class in a revolutionary socialist movement to take political power and restructure economic life to meet social need, not private profit.

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