

Don't add to student debt load

In the United States we have always cherished our ability to improve ourselves and move up the socio-economic ladder based on our efforts. In fact, we have been called the land of opportunity — and for good reason.

Our elected leaders — Republicans and Democrats alike — should remember and honor that tradition when they make decisions related to our young people's ability to pay for higher education, which is the ticket to the American Dream.

Last year Pell Grants were on the chopping block. Thankfully they were largely spared. Earlier this year, Congress approved a bill that eliminates subsidies for graduate school loans. For graduate students, interest now starts to accumulate while students are still in school. And now, we are in danger of having interest rates on all new subsidized Stafford student loans double, which would deter many from pursuing an education and financially cripple those who do.

President Barack Obama, as well as members of Congress on both sides of the aisle, agree that we should protect these student loans. The disagreement, of course, revolves around how to pay for that interest rate subsidy. If we look at student loans as investments that pay dividends in the form of economic development, we can easily see that preserving them would help fuel our economic development and competitiveness in the global economy.

At FIU, where we graduate more Hispanics than any other university in the nation, an interest rate hike will affect close to 20,000 of our hard-working students, many of whom are paying for college with a combination of financial aid and student loans. If the

interest rate is allowed to go to 6.8 percent, and assuming the average debt is comprised only of subsidized Stafford loans, the average borrower at FIU will end up with an additional \$3,205 of debt.

At the national level, the interest rate increase will affect more than 7.4 million students. With the same assumption, the average student will accrue an additional \$4,600 in debt over the life of the loan. New college graduates who have a heavier debt load will postpone home ownership and other financial decisions that otherwise could contribute to our recovery.

In this still-fragile economic environment, we cannot afford anything less than promoting access to higher education for all qualified students. We need to be sure we are helping our young people get the skills they will need to get good jobs and create good jobs. I hope our elected officials honor our tradition of opportunity for all when it comes time to protect student loans.

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