

## **US Students Pay Very Costly College Tuition**

Unlike Barbadian college students, their US counterparts pay very high college tuition fees. And, unlike the Barbados Government, Uncle Sam does not foot any of the bills.

Many US students take out loans with high interest rates; others have early saving plans in place to foot their college tuition; and the vast majority, who are not fortunate to land scholarships, rely on a combination of loans, family support and savings, while sometimes working two and three jobs to make do.

The upshot is, they spend several years, sometimes as many as 10 to 12 years after graduating, paying off outstanding college debt.

Case in point, the Obamas took eight (8) years to liquidate over US\$2000,000 in student loans after graduation.

Only last week, President Barack Obama who, presides over the world's biggest and richest economy, which does **NOT** offer the facility of free tertiary education to its citizens, drew attention to this matter

He addressed college students about his plan to make college more affordable, noting that many parents and students were struggling to pay off their own loans.

Please see the NBC news item below.

<http://www.nbcnews.com/video/nightly-news/52843059#52843059>

- **August 25, 2013, NBC- Nightly News (the transcript)**

“Meet the Rose family. Two generations struggling with student loan debt. Together, they owe over \$136,000.

“At 51, Charlene Rose hoped to put away money for retirement. Instead, according to her, about 50% of my paycheck goes towards my student loan debt. That’s quite a bit.

“Charlene is paying off her own \$51,000 loan after getting a master's. And, she and her husband, a disabled veteran, pay much of their children's college debt too. All are still in school. Ebony owes \$27,000; Victoria owes \$23,000, \$8,000 of which mum Charlene took out on her behalf. Ricky owes

\$25,000 on loans and pays some of his tuition to help mom. He says he is doing temp work just to have extra money coming in.

“Charlene is a part of a group of Americans 50 to 59 years old who owe \$112 billion in student loans; that is more than triple what that age group owed in 2005.

“We used to think of student loans as temporary; but for some American families they're becoming a lifetime, or even a multi-generational burden. Together, we are looking at \$1,400 per month.

“Melissa Towell is a credit counsellor who helps Charlene to manage it all. She said: ‘30% of my clients is in that bracket, 50 years or older, either worrying about paying back their children’s loans or paying back their loans. A lot of them just say I’m going to die before I pay this off’.

“Yet, some say all that debt is still worth it. A return on investment to higher education is about the greatest return an individual can secure. It is the best way to get a job, to keep a job, or to get a better job.

“Charlene says her tuition is going to go up, but she has no regrets. Whatever sacrifices I have to make for them to go, I’m willing; and they're willing to help.

“After all, a mother's love knows no bounds”. **(ABC-News)**

Please click on the link below and view the video.

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**N.B.** Thank God, Barbadians are not in that predicament. Our Government still pays 100% tertiary education costs, which is really unsustainable. So, from August 2014, it will pay between 80 and 85 % cost, with students paying just 15 to 20 % of the total cost. Surely, that isn't burdensome like in the US.