**Joe Biden Student Loan Forgiveness**

The impact of student debt on the economy and individual Americans has been a hot topic of discussion for decades. A total of $1.7 trillion in student debt is held by Americans (Akers, 2022). The Joe Biden administration has proposed offering loan forgiveness of up to $10,000 annually to college students who commit to working in the public sector (Akers, 2022). Democrats, Republicans, and the general public have all had disagreements and arguments about this issue. While most Americans would consider President Biden's plans to forgive federal student loans a solution, others consider that a threat to the American economy. As a result, some problems have arisen.

**Why Student Loans Should/Should Not Be Canceled**

The wealth disparity between minorities and whites may be narrowed if students have their school debts paid off. Most students from minority groups fall into the lower and intermediate socioeconomic categories (Cummings, 2022). They struggle mightily with student debt repayment, and for most, that process takes up to half a lifetime. If they can pay off their debts, they will be in a better financial position to put that money to use in other ways that will assist them in the long run.

When students can repay their debts, college attrition and postponement rates decrease. Usually, students' inability to pay for college causes many to quit around their senior year. Some students calculate the total cost of their debts against their expected future income and decide not to continue their education. Crespi (2019) argued that the policy of forgiving student loans promotes justice and equality. President Biden agrees with Crespi that canceling student debt would help alleviate poverty and provide financial stability for struggling students. This position holds strong evidence that Biden supports Crespi's position. I think Biden is on board with making public universities cheaper and providing free tuition to all community college students.

Because politicians have no firsthand knowledge of the consequences of student loans, no significant modifications have been proposed to the system yet. Families of members of Congress make up less than 15% of the total, whereas 14% of all Americans are in debt due to student loans (Akers, 2022). Most lawmakers are opposed to the idea because they have little firsthand experience with the consequences of student debt.

The student loan obligations are hampering borrowers' access to cash. Student loans, estimated at a high of $1.7 trillion, are second only to mortgages in total outstanding debt (Cummings, 2022). Other residents may access credit for personal or corporate uses if student debt is cleared. Top Democrats reportedly suggested the debt forgiveness scheme, as Katie Lobosco (2021) reported. The President admitted he disagreed with the suggestion and promised he would not go through with it. However, prominent Democrats like Chuck Schumer and the senator from Massachusetts have urged the administration to cancel the $50,000 loan guarantees made to each borrower. At the start of 2021, tens of Democrats had re-initiated a bicameral decree, urging President Biden to utilize his executive authority to put it into effect. Biden's Vice President has recommended that the federal government not forgive the debts of any former students who received funding to attend Harvard, Penn, or Yale. Biden maintained that, in his opinion, Congress should make long-lasting improvements by creating new policies.

The economy would benefit from debt forgiveness programs for students. After receiving their diplomas, most students do not immediately begin investing in potentially profitable company enterprises but instead focus on paying off their student loans. Collecting student loan payments is not as lucrative for the government as taxing the businesses started by recent grads.

There has been an uptick in available jobs. Employment opportunities may improve as a result of student debt. Students who graduate with the skills necessary to launch and manage a business are in a better position to use alternative financing to launch a company with the potential to hire many people.

Refusing bankruptcy protection for those drowning in student loan debt is unjust. Filing for bankruptcy is a win for all debtors. They have a chance for a new financial start without any of their previous obligations following them. If given the same chance, as Biden proposes, students will be more motivated to improve their own lives and the lives of their families.

**Reflection**

My current student loan balance is beyond President Biden's recommended figure for cancellation; I would feel great relief if $10,000 were taken off the top. Biden's position has taught me that taking out substantial student loans is not worth it since the government can only afford to subsidize a relatively tiny percentage of their total. Additionally, I know that I will need to find work to pay for college. I wouldn't need to rely on government loans if I had a stable job and a higher yearly household income.

**Conclusion**

Simply put, Biden ought to cancel student debts as such a financial burden influences households and the economy as a whole. Reducing student debt by $10,000 for each individual is a positive step by the Biden administration. Most students, I think, would appreciate the extra free time to focus on other things. Everyone will have access to high-quality education and freedom from severe poverty if Biden's government adopts the free community college proposal. Students with large loan balances must be treated fairly when the nation implements the equality act.

**References**

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