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— TO PROSPER —

THE STUDENT LOAN TRAP

For decades, our nation invested in its students – and in its future – by providing a low-cost or tuition-free college education to everyone willing to work hard and succeed. Then, this public investment was slashed. Instead, we convinced people to borrow for their own education by promising prosperity and advancement.

It was a trap. Our system of robust public investments that helped previous generations succeed was replaced with a student loan trap designed to imprison students with unexpectedly high interest rates, unfair penalties, and debt collection practices designed to benefit private corporations like Navient and Sallie Mae. Now, 44 million people find themselves trapped by student loan debt. They suffer the consequences of shortsighted actions by politicians who broke our nation's core promise.

- **66% of students enter the student loan trap each year**
- **3.4 million parents hold federal loans taken out to support their children's education**

WHAT IS STUDENT DEBT FREEDOM?

We, the people, own this debt. We can decide what to do with it. We can choose to free 44 million people from the student loan trap and create a \$1 trillion economic boost over 10 years. 95 percent of all student debt is owned by the federal government. We can cancel all of it, pay off the remaining 5 percent (which is held by private lenders), and free 44 million Americans to prosper.

And here's the best part: We can afford it. The Levy report (linked below) shows that student debt freedom will grow the economy. People will be free to buy homes and cars, to marry and start families, and to pursue their dreams. This will boost the economy by \$1 trillion over 10 years, creating millions of jobs. Freedom from student debt will create prosperity – not just for the 44 million, but for everyone.

It's not just the right thing to do. It's the smart thing to do.

- **The average borrower aged 20-30 would save over \$4,000 a year**
- **An average of \$100 billion per year would be added to the economy –helping small business owners, working families, and communities across the country**
- **1.2 to 1.5 million new jobs would be created**

Freedom to Prosper is a 501(c)(3) nonprofit organization educating Americans about the student loan trap and freedom from student debt through debt cancellation. We come from every generation, income level, and walk of life. We want to renew the sense of national community – the understanding that we are all in this together. We are working to free 44 million people from the student loan trap so that, working together, we can build a better and more prosperous future for all. (To learn more, read [The Macroeconomic Effects of Student Debt Cancellation by the Levy Economics Institute of Bard College.](#))