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## Symposium—Student Loans

### Foreword

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Fifty years ago, President Lyndon B. Johnson signed the Higher Education Act into law as part of his Great Society agenda.<sup>1</sup> He said, “[e]ducation in this day and age is a necessity.”<sup>2</sup>

The new law would make available scholarships of up to \$1,000 a year and interest-free loans to students pursuing higher education.<sup>3</sup> Soon, more Americans would be able to climb the economic ladder by obtaining a college degree, even if their family had limited means.

Student debt is now no longer the exception—it is the norm. Since the collapse of Lehman Brothers in 2008, outstanding student debt has doubled. The Consumer Financial Protection Bureau estimates that over forty million Americans owe over \$1.2 trillion in student loans, with seven million Americans in default.

The recent meltdown in the mortgage market would lay bare how little we collectively knew about the impact of fast-growing debt. And while researchers and regulators have made major strides to get a better handle on mortgages, we need to rapidly accelerate our efforts to crack the student-loan

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\* Assistant Director & Student Loan Ombudsman at the Consumer Financial Protection Bureau. The views expressed are his own. This piece was submitted on April 28, 2015.

1. Higher Education Act of 1965, Pub. L. No. 89-329, 79 Stat. 1219 (codified as amended at 20 U.S.C. §§ 1001-1161aa (2012); 42 U.S.C. §§ 2751-2756b (2012)).

2. Lyndon B. Johnson, U.S. President, Johnson on Signing the Higher Education Act (Nov. 8, 1965), available at <http://lbjmuseum.com/higher-education-act-of-1965/>, archived at <http://perma.cc/YQ32-7ULC>.

3. *Id.*

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code.

While traditionally seen as an issue for education scholars, the sheer size and scope of the student-loan market requires an interdisciplinary approach to answer some of the most pressing questions.

What is the impact of student debt burdens on the broader economy? What is the interaction with the mortgage market? Retirement savings behavior? Small business formation?

How does student debt impact our society? To what extent does student debt change marriage patterns? Birth rates? College attainment for the children of student debtors?

I hope that economists, lawyers, psychologists, and others will find answers, and I'm grateful that the *Suffolk University Law Review* has published this issue to get us closer to that goal.

Without market transparency and rigorous analysis, our work to preserve the goal of ensuring a better life for everyone who pursues a college degree will go unfulfilled.