

JIM CROW DEBT: HOW BLACK BORROWERS EXPERIENCE STUDENT LOANS



“FOR YEARS NOW, I HAVE HEARD THE WORD ‘WAIT!’ IT RINGS IN THE EAR OF EVERY NEGRO WITH PIERCING FAMILIARITY. THIS ‘WAIT’ HAS ALMOST ALWAYS MEANT ‘NEVER.’ WE MUST COME TO SEE ... THAT ‘JUSTICE TOO LONG DELAYED IS JUSTICE DENIED.’”

— **DR. MARTIN LUTHER KING JR.**



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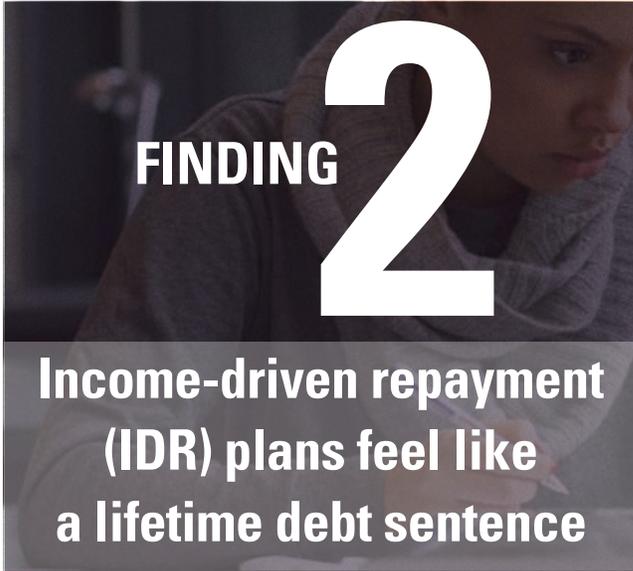
About This Report

The focus on data about Black student debt outcomes often overlooks the perspectives and lived experiences of Black borrowers, who are most affected by the student debt crisis. We believe that any solution to this crisis should center the voices of these borrowers, so we surveyed nearly 1,300 Black borrowers and conducted in-depth interviews with 100 of them. **Here's what they told us:**



FINDING 1

Student loans are not "good debt"



FINDING 2

Income-driven repayment (IDR) plans feel like a lifetime debt sentence



FINDING 3

Limiting student debt cancellation would harm Black borrowers the most



FINDING 4

The federal government should cancel all student debt

We unpack each of these top-level findings in this report.

JIM CROW DEBT: HOW BLACK BORROWERS EXPERIENCE STUDENT LOANS

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STUDENT DEBT HAS BEEN A CRISIS FOR YEARS and, for many borrowers, the pandemic has only exacerbated matters. This is especially true for [Black borrowers](#), who are among those most negatively affected by student loans — due, in large part, to systemic racism, the [inequitable distribution of wealth](#) in this country, a stratified labor market, and rising college costs.¹ And whether by willful intent or gross negligence, many of those engaged in this policy debate overlook the compounding effect of racism and how it specifically impacts Black borrowers. Put simply, student debt is a racial and economic justice issue, and any proposed solution to the student debt crisis must center the perspectives, lived realities, and voices of Black borrowers, rather than solely use their data to frame the problem.

That is why The Education Trust, in partnership with Jalil B. Mustafa, Ph.D., launched the [National Black Student Loan Debt Study](#).² This study includes a nationwide survey of nearly 1,300 Black borrowers and in-depth interviews with 100 Black borrowers across various life points. At participants' request, we replaced their names with pseudonyms. Rather than reporting student loan outcomes, we focus on borrowers' perspectives and life experiences with student loans. Most of the participants in our sample hold a degree, identify as Black women, and earn more than \$50,000 a year. Others are parents who assumed student loans for their children, are currently in income-driven repayment plans, or are facing (or have faced) a host of financial challenges as a result of their student debt. The stories these Black borrowers share, as well as the solutions they raise, shine a light on the full weight of student debt while also offering a way forward. In solidarity with the Black borrowers from this study, The Education Trust is encouraging Congress and the Biden administration to [cancel student debt, double the Pell Grant](#) and create federal-state partnerships to address affordability in a comprehensive way.

³ A recent [report](#) estimates that increasing Pell Grants for students from low-income backgrounds would help many families avoid having to take out loans: "An extra \$6,000 a year in Pell grants for four years would entirely replace the PLUS loans of about three-quarters of parents who borrowed with incomes below the poverty level (including 85 percent of low-income Black PLUS borrowers)." ⁴



1

FINDING

STUDENT LOANS ARE NOT “GOOD DEBT”

STUDENT LOAN DEBT IS WIDELY CONSIDERED “GOOD DEBT” in that it offers a pathway to obtaining credentials that can lead to higher incomes, greater wealth, and social mobility. For Black borrowers, however, these gains have never been equal and are continuously [undercut](#).⁵ The median annual earnings of [White](#) bachelor’s degree holders were \$50,000 for women and \$62,000 for men in 2018, versus \$47,600 and \$42,100 for their Black counterparts (in other words, the wages of White men and women with bachelor’s degrees were a stunning 30% and 19% higher than those of Black men and women with similar degrees).⁶ This is the result of state disinvestment in higher education, systemic racism, and a racially stratified labor market across both hiring and [earnings](#).⁷ The framing of student loans as “good debt” ignores the experiences of Black borrowers, who have less household wealth than their White counterparts and often have no option but to take out student loans to pay for college and the associated costs of attendance.

In our study, Black borrowers, even those with higher incomes and graduate degrees, challenged the assumption that student loans pay off. Black student loan borrowing is driven by a desire for higher-paying [jobs](#) and a better life.⁸ But since a costly higher education is a prerequisite for those jobs, borrowers often find themselves in a catch-22, according to many of those we interviewed. In one interview, a participant we’ll call Lisa (who borrowed \$115,000) said she had no other alternative to pay for college and emphasized that the only option was *not* necessarily a good option, much less a choice:

“I knew that we did not have money in my household. I knew that we struggled to make ends meet. I knew that it was totally bizarre for someone my age [I was 19 years old at the time] to sign a check for an amount of money that I had never held in my hand, and for it to go to the school.” Other study participants said they have yet to see positive returns on their student loans (51%) and/or regret having taken out education loans (66%) that now seem “unpayable,” “not worth it,” and ultimately like an inescapable burden.

In other interviews, borrowers often highlighted the irony of Black people having to borrow to gain entrée to institutions that promise educational opportunity but have racially excluded them for generations. More than half of the Black borrowers in our study said they do **not** believe that student loans advance racial equality for Black borrowers (58%) or increase Black borrowers’ ability to build wealth (61%). (See Figure 1.) In fact, only 33% of respondents believe student loans improve life opportunities for Black borrowers. Many of them noted the ways in which student loans reproduce and heighten inequality: **“I understand, this is about financing an education. But there’s a lot that compounds with Black people. So, for me, it was the health incident. It was the job insecurity. It was dealing with police. And then, I’m still not paying on my own student loans,”** said Xavier, a respondent who borrowed \$40,000. The current student debt cancellation debate grossly ignores stories like Xavier’s, which highlights how student loans perpetuate and are perpetuated by structural racism. While most of the Black borrowers we interviewed felt like they had made wise educational choices (and did not regret going to college), few of them look on student debt as “good debt,” much less a real choice.

FIGURE 1: STATEMENTS RELATED TO WHETHER STUDENT LOANS ARE GOOD DEBT

STATEMENT	AGREE	NEUTRAL	DISAGREE
Student loans improve the life opportunities of Black student borrowers.	33%	20%	47%
Student loans contribute to racial equality for Black student borrowers.	26%	16%	58%
Student loans increase Black student borrowers’ ability to build wealth.	26%	12%	61%
My student loan balance compels me to work in a line of work I would have otherwise avoided if not for my student loans.	39%	15%	46%

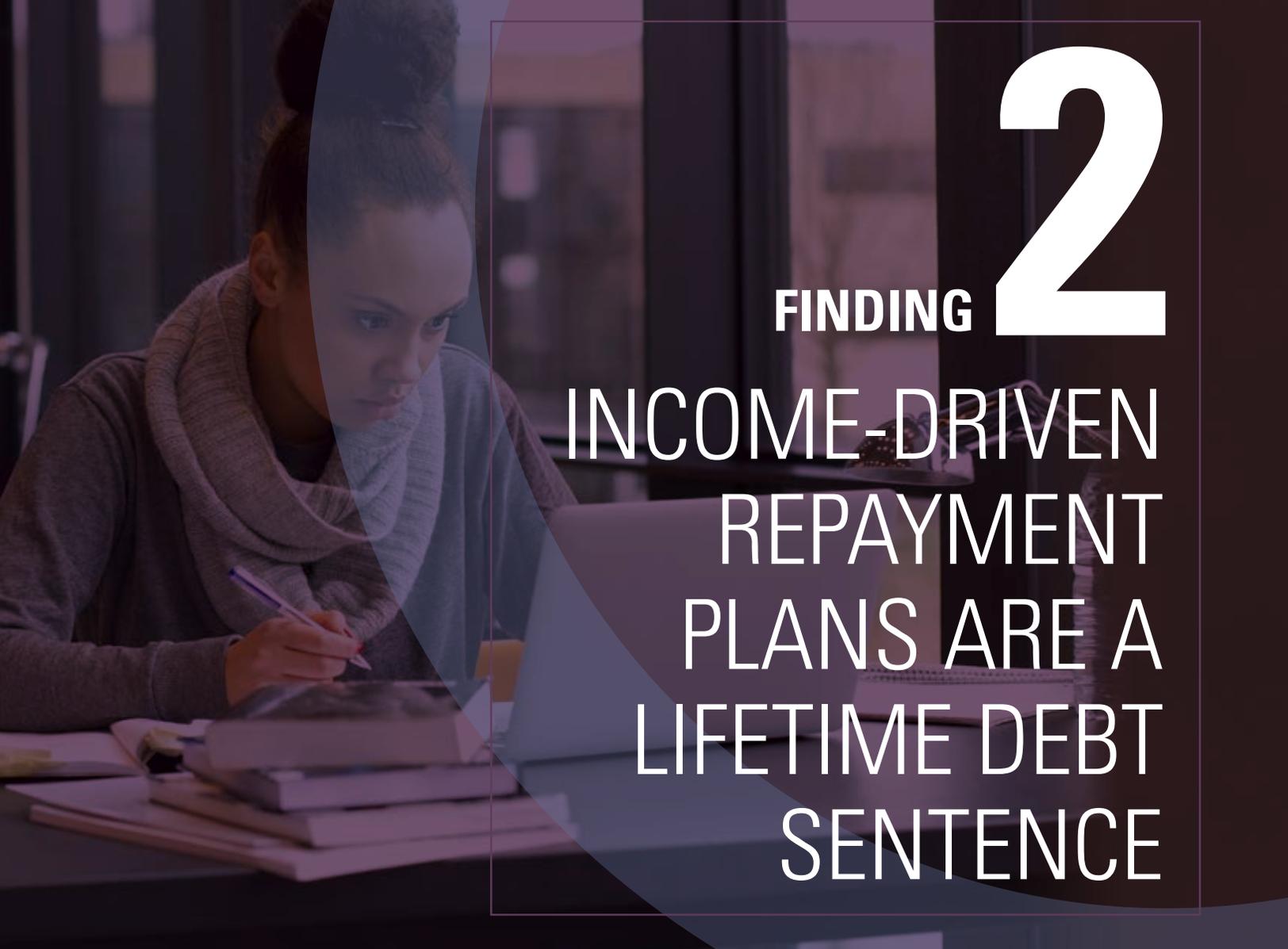
FIGURE 2: VIEWS ON STUDENT LOANS

QUESTION	YES	NO
In retrospect, do you feel you've experienced positive returns on your student loans?	49%	51%
In retrospect, do you regret having taken out student loans to fund your education?	66%	34%



58%

of respondents disagree that student loans contribute to racial equality for Black student borrowers



FINDING 2

INCOME-DRIVEN REPAYMENT PLANS ARE A LIFETIME DEBT SENTENCE

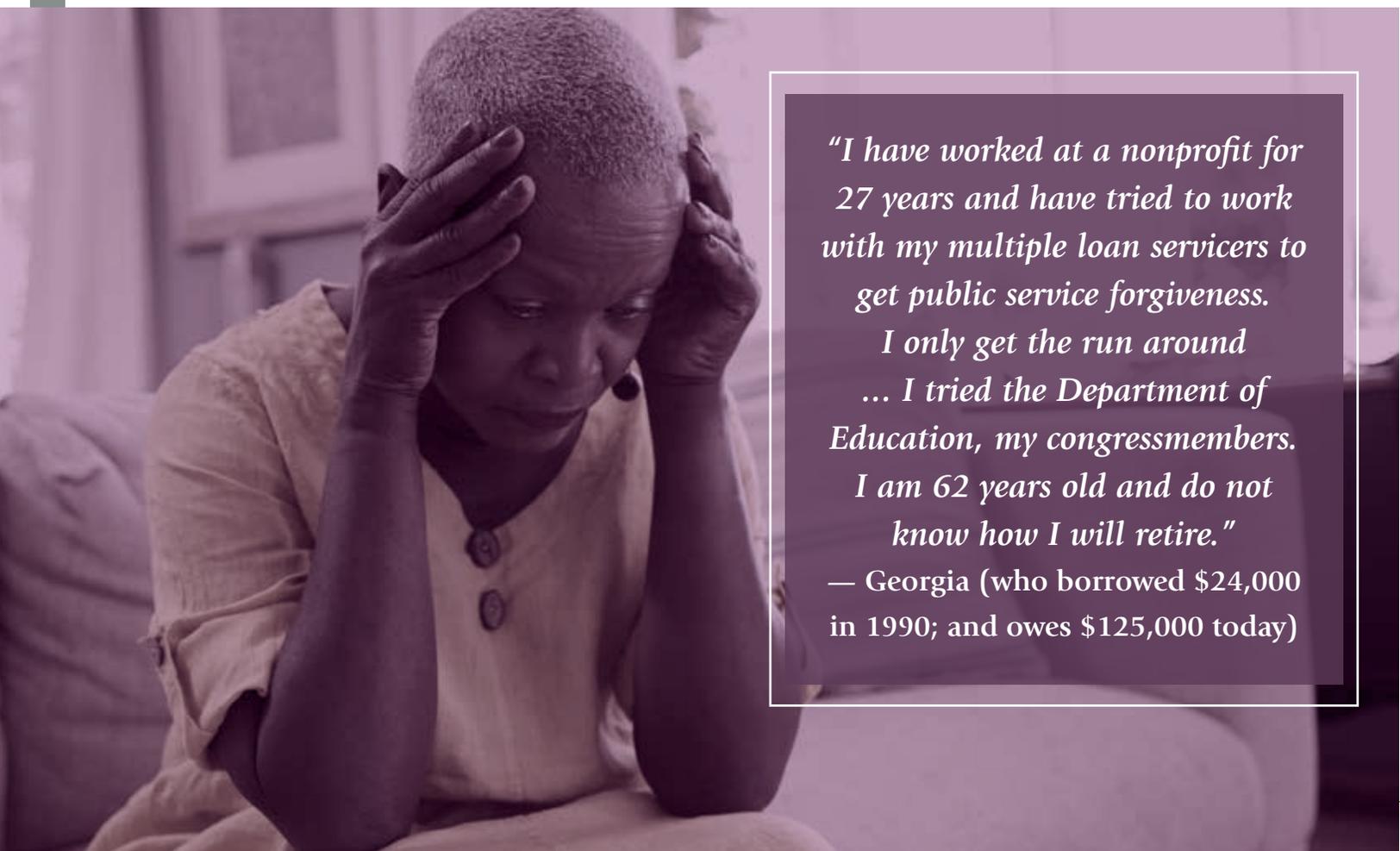
IN THE POLICY ARENA, A SOLUTION THAT IS ROUTINELY OFFERED as an alternative to large-scale student debt cancellation is reforming income-driven repayment (IDR) plans. About 27 years ago, Congress [created](#) IDR plans to provide relief to student loan borrowers who could not afford the 10-year standard repayment plan.⁹ The plans work as follows: Borrowers apply to enroll and, if they qualify, their monthly student debt payment is adjusted based on their discretionary income, and the standard 10-year repayment period is extended over 20-25 years — at which point, they can apply to have their outstanding student loan balance cancelled. While many borrowers who enroll in IDR plans have lower monthly payments based on their income, they have growing student loan balances because their payments do not cover both interest and principal. One [expert](#) put forward this scenario: “Imagine a low-income borrower with \$10,000 of debt who is not required to make any payments. This person will have to recertify their income 20 times, and by the time the debt is forgiven, the \$10,000 initial debt will have grown to more than \$17,000 at current interest rates.”¹⁰

The latest proposed reforms to IDR would make enrolling in these plans easier and adjust the length of time that borrowers must make payments before being eligible for cancellation. But while those reforms sound promising, readers should note that IDR plans have already been changed various times over the last two decades, purportedly making enrollment easier, payments more affordable, service better, and information clearer. Yet [6 out of 10 borrowers](#) who have enrolled in these plans (of which there are [six](#) main types) fail to re-enroll on account of how burdensome and confusing the process and paperwork can be — not realizing that when a borrower does not re-enroll, their unpaid interest may be capitalized, i.e., added to their current principal.¹¹ And that means interest will now accrue on that new (and bigger) balance.

In addition, borrowers enrolled in these plans — including many of those who have been making payments for over 20 years — have not received student loan cancellation. Of the 2 million borrowers who became eligible in 2019 for student debt cancellation under IDR plans, only [32](#) have so far been granted student loan relief, according to data from the U.S. Department of Education.¹² Likewise, less than [2%](#) of borrowers have received cancellation under the Public Service Loan Forgiveness Program (PSLF) (which is not an IDR plan, but requires borrowers to use IDR).¹³ So, despite the promise and hope of these plans and efforts to reform them, enrolled borrowers are not [reducing their student debt](#) balances, and many more borrowers will soon be eligible for cancellation. In fact, it is estimated that nearly [\\$500 billion](#) in student debt will never be collected, and that estimate predates the pandemic.¹⁴

Of the Black borrowers in our study who were in repayment, 72% were enrolled in an IDR plan. In interviews, many of them described their student loans as a “trap” or “scam” or drew comparisons between their experiences in these plans and historic examples of racial oppression. Many also described student loans as a lifetime sentence, in which they “do their time,” re-enroll in IDR every year, but have no “hope of paying off their balance.” They described their growing balances under IDR plans as “shackles on their ankle” or “like Jim Crow,” where the debt ensures that they will never have full freedom.

The majority of the respondents enrolled in an IDR plan (58%) estimated that it would take them 16 or more years to repay their debt, though many doubted they would ever be able to repay it. While a 16-year-plus timeline is typical of IDR plans, it is much longer than the standard student loan repayment timeline of 10 years. Several interviewees worried about making seemingly endless minimum payments — and noted that their payments did



“I have worked at a nonprofit for 27 years and have tried to work with my multiple loan servicers to get public service forgiveness. I only get the run around ... I tried the Department of Education, my congressmembers. I am 62 years old and do not know how I will retire.”
— Georgia (who borrowed \$24,000 in 1990; and owes \$125,000 today)

not cover principal and interest, and that their overall balance was growing as a result. They feared that their loan would be with them for the rest of their life and that the only way to be rid of it would be “taking it to my grave” or “when I die.”

Without IDR plans, many Black borrowers would face higher monthly payments (and potentially higher default rates), but borrowers in IDR plans face the constant financial and mental stress that comes with having student debt payments that extract a cut of their income — potentially, for a lifetime. Georgia, who has carried student debt for 31 years (she borrowed \$24,000 in 1990; and owes \$125,000 today), is the perfect illustration of what a life sentence of student debt looks like. She is 62 years old and was devastated when she found out she did not qualify for public service loan forgiveness, despite being enrolled in an IDR plan: **“I have worked at a nonprofit for 27 years and have tried to work with my multiple loan servicers to get public service forgiveness. I only get the run around ... I tried the Department of Education, my congressmembers. I am 62 years old and do not know how I will retire.”**

FIGURE 3: IMPACT OF LOANS ON MENTAL HEALTH, QUALITY OF LIFE, AND FINANCIAL STRESS

(BY INCOME-DRIVEN ENROLLMENT PLAN STATUS)

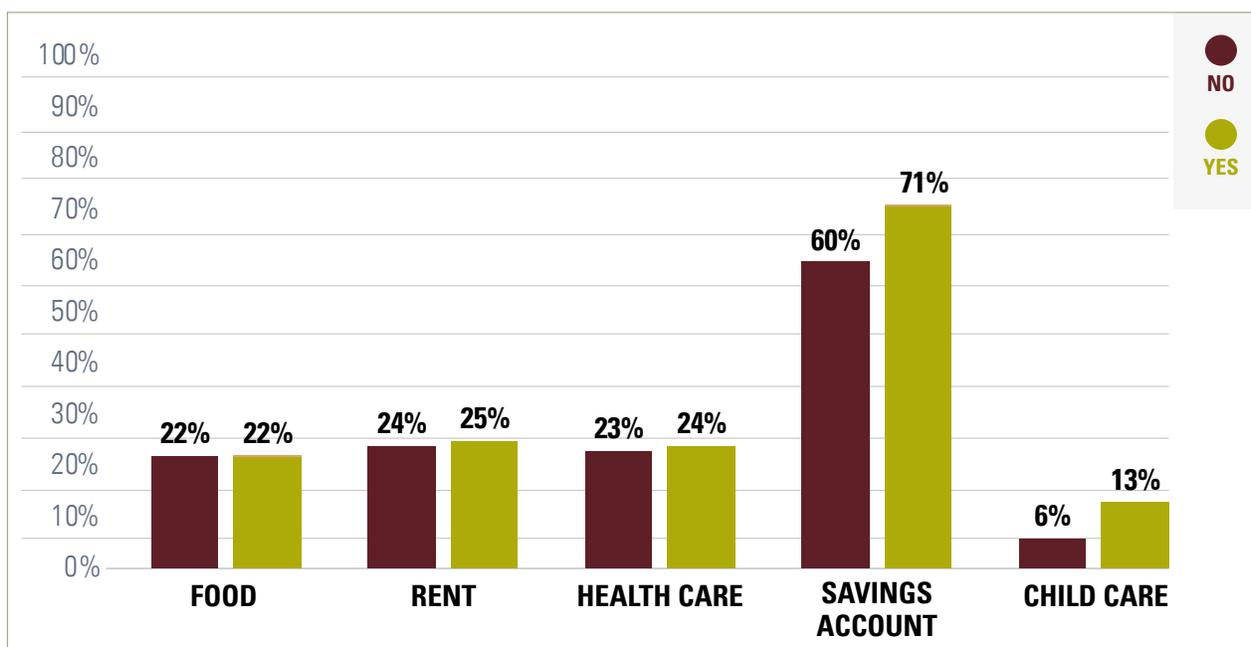
STATEMENT	OVERALL	NO	YES
Loans Have Negative Impact on Quality of Life			
Agree	69%	66%	71%
Disagree	7%	21%	15%
Neither agree/disagree	14%	13%	15%
Loans Primary Source of Financial Stress			
Agree	76%	71%	78%
Disagree	17%	22%	15%
Neither agree/disagree	7%	7%	7%
Loans Have Negative Impact on Mental Health			
Agree	64%	55%	67%
Disagree	21%	27%	8%
Neither agree/disagree	15%	8%	14%

Please note that ‘NO’ corresponds to those borrowers who have entered repayment and are not enrolled in an IDR plan; ‘YES’ corresponds to those who have both entered repayment and are enrolled in an IDR plan.

Georgia, like some other interviewees, said she received inaccurate information from her loan servicer about which student loans qualified for IDR plans, which past payments counted toward PSLF, and how to certify that payments qualified. Many Black borrowers cited confusing repayment plan rules as a constant source of stress or a “dark cloud” over their heads that had led them to experience depression and/or suicidal thoughts. Figure 3 shows how many study participants enrolled in IDR plans noted that student debt is a primary source of financial stress and has negatively impacted their mental health. Figure 4 highlights the proportion of participants who said their monthly payments limit their ability to meet basic needs. Many of those enrolled in IDR plans said they have a hard time affording a savings account (71%), health care expenses (24%), rent (25%), child care (13%), and food (22%). Black borrowers in our study have an average monthly payment of \$502. For Black borrowers, IDR plans are not easing the student debt crisis; indicators like increasing balances and decreasing repayments suggest they may be exacerbating or prolonging it; even default rates remain high, despite the [availability](#) of these plans.¹⁵

The existence of IDR plans suggests that there is agreement that cancellation is a legitimate policy solution for student loans. Yet, the design of IDR plans makes harmed borrowers, including many Black people, wait 20-plus years for cancellation (which has not, for the most part, happened). In our conversations with Black borrowers, many doubted that cancellation through IDR plans would ever occur. They wondered why they are being made to wait, given that they, like millions of borrowers, are in desperate and immediate need of relief and that large sums of student loan debt will never, ultimately, be collected. Why kick the can down the road and waste millions of tax dollars trying to collect outstanding debts that are already highly unlikely to be repaid or will be eligible for cancellation at a later date? Canceling student debt now would be beneficial for countless Americans. Not only would Black borrowers and other struggling borrowers get relief from the financial and mental stresses associated with outstanding debt, but they would have more money in their pocket to put toward basic needs — which would help them *and* the economy. What’s more, IDR plans effectively make Black borrowers wait for justice, despite widespread agreement that student loans are driving racial inequality in the here and now and that a race-conscious policy solution is needed.

FIGURE 4: PERCENTAGE OF BLACK BORROWERS WHO ARE UNABLE TO AFFORD BASIC NECESSITIES
(BY INCOME-DRIVEN ENROLLMENT PLAN STATUS)



Note that 'NO' corresponds to those borrowers who have entered repayment and are not enrolled in an IDR plan; 'YES' corresponds to those who have both entered repayment and are enrolled in an IDR plan.



FINDING 3

LIMITING STUDENT DEBT CANCELLATION WOULD HARM BLACK BORROWERS THE MOST

MUCH OF THE STUDENT DEBT CANCELLATION DEBATE HAS FOCUSED ON WHO SHOULD AND SHOULD NOT RECEIVE CANCELLATION, with many policy proposals calling for limiting (i.e., means-testing) cancellation by income, graduate school debt, and/or amount borrowed. The leading student debt cancellation [proposals](#) cap or gradually phase out the cancellation amount for borrowers making over \$100,000.¹⁶ One proposal would cap student debt cancellation at \$10,000; another would cap it at \$50,000. Recently, President Joe Biden said that he is reluctant to support broad-based cancellation, lest it unfairly benefit Ivy League students. This characterization egregiously misrepresents the student debt crisis and ignores racial inequities. (It also ignores the fact that [very few student loan borrowers go to Ivy League colleges](#).)¹⁷ And these limits would disproportionately exclude Black borrowers, who are (1) more likely to have balances over \$50,000, let alone \$10,000; (2) more likely to enroll in graduate school and take on high debt levels out of necessity (i.e., as a hedge against discrimination in the labor market), not privilege; and, (3) less likely to amass wealth, even when earning a higher income.

Our findings challenge the idea that student debt cancellation should be means-tested. Figure 5 shows the median debt loads of Black borrowers in our sample across income levels. At every income level, the debt load was near or above the \$50,000 cancellation mark, which is the threshold in the most generous policy proposal. In addition, most of our sample had graduate degrees (67%); 42% had incomes over \$68,000. Prior [research](#) suggests that borrowers with a graduate degree and incomes above \$68,000 are well off and undeserving of cancellation, but Figure 5 shows that even borrowers assumed to be well off are postponing key life events.¹⁸

Many borrowers earning more than \$25,000 said they had postponed purchasing a home. Nid who (borrowed \$90,000), for one, explained how her debt-to-income ratio has impacted her life, despite having a low monthly payment under an IDR plan: “So, I continue to be incredibly frustrated on simple things like financing a vehicle, refinancing my vehicle, refinancing my home ... because of my [student] debt-to-income ratio. At this point, I’m doing everything that I can for it and I have a high credit score.” Using income and graduate degrees as markers of economic wellness assumes that all racial groups have access to the same financial means and opportunities, but decades of research shows that Black people have vastly different economic experiences, due to structural racism that has limited and stolen wealth from Black families. A previous Ed Trust [report](#), for example, found “that Black students from high-income families [with incomes over \$129,000] are nearly seven times as likely to default on their student loans as their White peers from families of similar incomes.”¹⁹

FIGURE 5: LIFE ACTIVITIES POSTPONED DUE TO STUDENT LOAN DEBT
(GRADUATE-DEGREE-HOLDER STATUS)

INCOME/ GRADUATE DEGREE	MEDIAN DEBT BALANCE	CONTRIBUTING TO RETIREMENT	PURCHASING A HOME	HAVING A CHILD	PAYING OTHER DEBT	SWITCHING JOBS	MARRIAGE
Less than \$25,000	\$46,000	39%	42%	24%	33%	20%	20%
\$25,000 – \$50,000	\$63,000	46%	62%	32%	38%	27%	21%
\$50,000 – \$75,000	\$80,000	50%	60%	35%	45%	34%	25%
\$75,000 – \$100,000	\$94,500	55%	67%	36%	46%	25%	18%
Above \$100,000	\$102,000	56%	55%	27%	44%	26%	16%
Graduate- Degree Holders	\$98,000	51%	61%	32%	44%	28%	20%

There is an old adage: Black people have to work twice as hard to get half as far. When it comes to credentials and the job market, that adage holds true. Many of those we interviewed felt they needed higher levels of education than their White peers to get comparable jobs and wages: 95% felt that to be hired, their credentials had to be better than those of their non-Black counterparts, and 72% of the Black borrowers who participated in our study said they had faced discrimination in the labor market due to their race. Researchers [reviewed](#) hiring discrimination studies of the past 30 years and found that, even when controlling for education levels and occupation types, people of color face consistent employment discrimination.²⁰ Perversely, a majority of the Black borrowers we spoke with (65%) also said that they had pursued additional credentials in order to earn enough money to repay their student loans. For others, going to graduate school offered a temporary reprieve, allowing them to defer their loans while earning more credentials that would, they assumed, lead to higher wages and more manageable payments; but, unfortunately, the effect was often a higher overall debt balance.

While our study shows that Black borrowers with graduate degrees tend to earn higher incomes than those without advanced degrees, it also shows that the former often incur more debt to achieve those earnings. According to our analysis, Black borrowers with graduate degrees who earned over \$100,000 a year had a median debt balance of \$115,000, while those who earned less than \$100,000 a year had a median student debt balance of \$94,000.

So much for manageable student loan debt. Black borrowers described their graduate school experience as a time of poverty, and many of them graduated or left with six-figure loan balances. In our study, the median student debt balance for those who attended graduate school was \$98,000. Dae, who borrowed \$35,000 and was a student-parent like several Black women in our study, explained that being enrolled in graduate school full time often meant that one was limited from earning money for basic needs: *“I wish something would be different ... that students are not punished for not wanting to live in poverty. I say that because it’s like when you’re in grad school, they want you to get these experiences through internships, through real world practice, but then when you do it and [want] somebody to pay you for it, it’s like you’re punished.”*

Graduate programs usually prohibit students with scholarships and fellowships from working full time or require them to take on unpaid internships, field work, and course loads that make full-time employment a non-option. As a result, many borrowers have to borrow, not just for tuition and fees, but also to cover necessary living expenses. Contrary to popular belief, having a graduate degree and a higher income did not mean these Black borrowers were off to the races. It got them a delayed start behind those with degrees and no debt, and left them with little hope of ever catching up. Our research findings, along with other studies, show that Black people [disproportionately benefit](#) when student loan cancellation levels are \$75,000 or above.²¹

A black and white photograph of a woman with curly hair, wearing a white lace top, looking thoughtfully at a bookshelf in a library. The image is partially obscured by a dark grey overlay containing text.

“So, I continue to be incredibly frustrated on simple things like financing a vehicle, refinancing my vehicle, refinancing my home ... because of my [student] debt-to-income ratio. At this point, I’m doing everything that I can for it and I have a high credit score.”

— Nid (who borrowed \$90,000)



FINDING 4

THE BLACK BORROWERS IN OUR STUDY WANT FULL DEBT CANCELLATION

INDEED, FOR MANY OF THE BLACK BORROWERS WITH WHOM WE SPOKE THROUGHOUT 2020,

the deleterious and multifaceted impact of the pandemic (which deepened racial and ethnic inequities in education, health, housing, and economic well-being) only set them back further on repaying their student loans and highlighted the urgency of enacting debt cancellation. Between February and April 2020, for example, Black [people](#) faced unemployment at higher rates than their White counterparts (17% vs. 14% respectively); the former were also more likely to be front-line workers (1 in 6 Black workers were considered essential), and, as such, they were disproportionately more likely to get COVID-19 and die. Black people comprise just 13% of the U.S. population, but 22% of COVID-19 deaths in the U.S.²² Since Black borrowers are most heavily impacted by the student debt crisis, their views on solutions must be a central consideration in any conversation or proposal on how to address the crisis. If policymakers and advocates hope to understand the full depth of the crisis and identify a path forward that will right ongoing racial wrongs, they must listen to and lead with Black people's voices.

Black borrowers in our study understand that Black people [carry more student debt](#), repay their loans at a lower rate, and default at a higher rate than their non-Black peers (see Figure 6).²³ Black respondents correctly identified indicators of the Black student debt crisis that many policy experts [consistently](#) ignore when discussing or proposing solutions.²⁴ In interviews, Black borrowers described student loans as a deliberate policy failure that was never intended to address

racial realities. Leonard who (borrowed \$205,000) said: **“I mean, realistically, I think the [student loan] system is working exactly as we expect it to. Like, it was designed for this very outcome and so no one’s surprised that we somehow built a financial aid process and policy and set that up to only consider your annual salary, as if [Black people] all have the same net assets.”** Black borrowers noted that a system that encourages the use of student loans and ignores racial and economic evidence of inequality is designed to reproduce inequality. They also insisted that there are potential solutions that reflect alternative policy frames for racial justice.

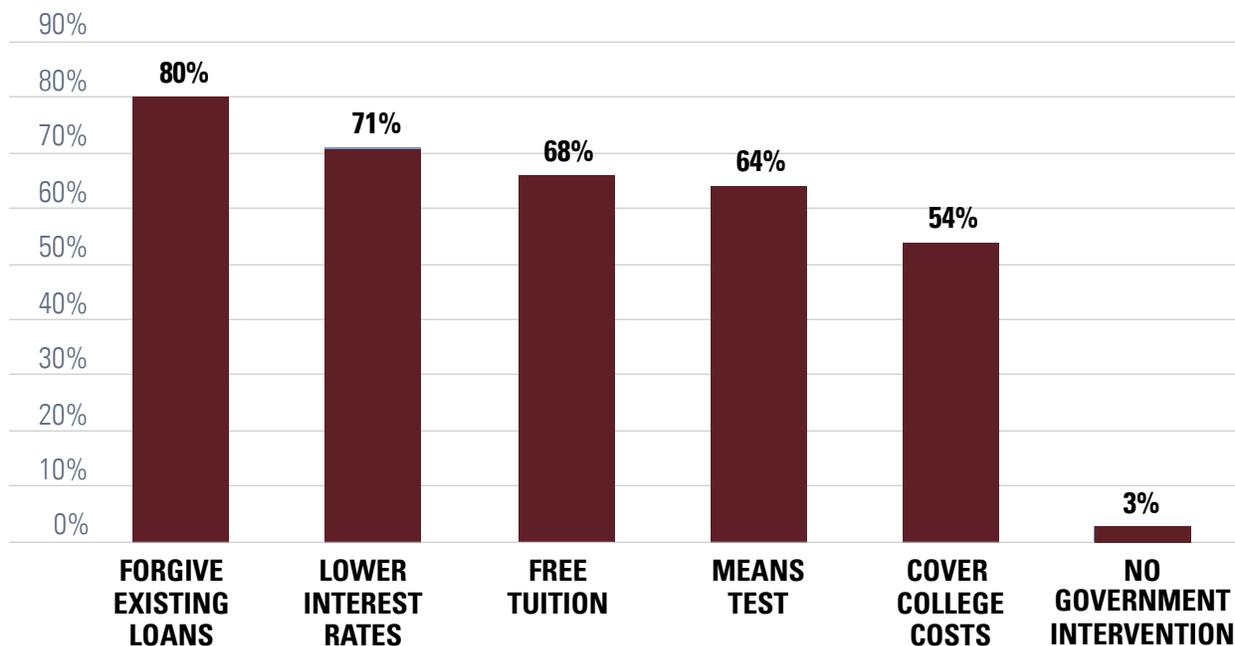
For instance, 80% of the Black borrowers we surveyed support government forgiveness of all student debt — in fact, participants backed this solution more than any other (see Figure 7). In contrast, only 3% of them *oppose* government intervention in student debt repayment. For many of those surveyed, debt cancellation was a matter of racial justice. Elijah who (borrowed \$20,000) suggested that canceling the student debt of Black borrowers could be a form of restitution and help narrow the racial wealth gap: **“I mean, cancel student debt [to] have reparations. A part of reparations is that people who are African American descendants of slaves directly get money because of our ancestors building the country. Yeah, I mean, it has to deal with redressing racism and wealth inequality.”**

Others acknowledged that debt cancellation won’t lower the cost of college but still believe immediate relief is needed to right this ongoing racial wrong. For many Black borrowers, cancellation is about the present student debt burden they are enduring, the generational burden they watched their parents carry or worry their own children will have to carry, and the historic burden that systematically placed Black people at a disadvantage.

FIGURE 6: BORROWERS’ UNDERSTANDINGS OF THE BLACK STUDENT DEBT CRISIS

Black students borrow...	
A similar amount of money	8%
Less money	3%
More money	89%
Black students default...	
At a higher rate	71%
At a lower rate	3%
At a similar rate	26%
Black students repay their loans...	
At a higher rate	13%
At a lower rate	58%
At a similar rate	29%

FIGURE 7: BLACK BORROWERS' SOLUTIONS TO DEBT CRISIS



80%
of the Black borrowers we surveyed support government forgiveness of all student debt

Conclusion

It is heartening that the Black student loan crisis has moved from the margins to the national policy debate stage. But highlighting data on Black student debt outcomes is not the same as centering Black people's views and experiences when discussing the debt crisis and designing solutions to it. Preliminary findings from our study show that many Black borrowers view student loan policy as a matter of racial justice and full cancellation as the best solution, as well as an important step toward levelling the playing field and reversing historic racism. Our study also shows that Black borrowers understand the sources and scope of this crisis in a way that those who didn't struggle to pay for college do not. Policymakers just need to listen to them.

To learn more about Black borrowers' experiences, the Black student debt crisis, and the college affordability crisis, sign up for updates at edtrust.org.

Methods

In this study, we employed a sequential, equal status mixed-method design with a non-random sampling scheme. We designed and created a survey instrument that elicited Black borrowers' perspectives on student loans and their experiences with them — paying particular attention to their mental health, the quality and sources of information, the impact of the COVID-19 pandemic, borrowers' return on investment, debt as a contributor to inequality, and Black borrowers' solutions to the current debt crisis.

To recruit participants, we used free and paid ads on social media (e.g., Twitter, Facebook, LinkedIn), email alerts, and word of mouth. Participants completed the survey and were then invited to volunteer for an in-depth interview. Interviewees were selected from a list of volunteers based on particular demographic characteristics. Using the constant comparative method, we identified key themes from the qualitative data.

In total, 1,272 Black borrowers completed our survey. Our survey sample consists largely of four-year and graduate-degree holders, women, borrowers aged 25 and older, and borrowers earning \$50,000 or more annually. Respondents attended an assortment of institutional types, including HBCUs, for-profit institutions, and public and private colleges and universities. Names listed throughout this brief are selected pseudonyms.

Survey data was cleaned, recoded, and analyzed using frequencies and descriptive statistics. Missing data for key grouping (e.g., income, gender, age) and independent variables was flagged and removed using pairwise deletion as missingness was not greater than 2% for any one item.

This study was approved by the Institutional Review Board (IRB) of the University of Pennsylvania.

ENDNOTES

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The Education Trust is a national nonprofit that works to close opportunity gaps that disproportionately affect students of color and students from low-income families. Through our research and advocacy, Ed Trust supports efforts that expand excellence and equity in education from preschool through college; increase college access and completion, particularly for historically underserved students; engage diverse communities dedicated to education equity; and increase political and public will to act on equity issues.

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