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How Does College Debt Affect Future life Choices of Students?

**Introduction**

 College debt is considered to be one of the types of loan which aims to help students in paying their education. The purpose to initiate college debt is to help the students in meeting their financial needs. There is no doubt that college debt tends to help a number of students to acquire their degree in an easier manner. However, it must be taken into consideration that college debt along with helping the students in student-life to meet their expenses may also result in threatening future goals. The matter of fact is that some students tend to think that they are making some sort of good investment when they borrow some money. Student loan regardless of helping students also plays a vital role in increasing the debt with the passage of time. There is a high need to understand the fact that student loan takes the freedom of students away to follow their passion. One thing that must be taken into consideration is the fact that such students are not seen deciding their career even after graduation, and their minds are towards paying the loan. The outcomes of this result in limiting their choices to only the fields that can be offering adequate income for making payments.

**Future Issues**

 In multiple scenarios, it has often observed a common issue among the students who did borrow money in the past. A perfect example in such a scenario would be of law students that are often seen hating law practices. The matter of fact is that such students end up in having a burden of loan on their heads. There is no doubt that in such situations, the future life choices of a student are highly affected as there is no room left for him/her to acquire except practicing what he/she finds boring (Barr et al., 2016). The reason for that is quite simple as such students do not have another choice; therefore, they have to earn their living and pay the loans as soon as possible. It must be taken into consideration that if the loan is not paid within the short time period, it may result in incrementing the value. Hence, it will become more than difficult for any student who has borrowed the loans to pay for his/her tuition.

 Studies and research show that the majority of the students who acquired loans in their college lives have ended up paying more than what they borrowed. Students may not regret their degree, but when it comes to the additional payments, there is a high chance that such students will be seen regretting what they have done. Another important issue that is concerned with college debt is that it restricts the students to make their career in the initial stages of their professional lives. Such students try their best to pay the loan first and then focus on their career. The matter of fact is that in such scenarios, students become more stressed which results in reducing their activeness towards work. It is quite obvious that a student who has just cleared his/her degree should focus on saving some money (Baum, 2015). However, the students are not able to save money at all which tends to limit their mindset to jobs only, and such students do not try to create plans regarding business startups.

 Another important to be taken into consideration is that students in such debts are not able to buy a home. When it comes to the research by Federal Reserve researchers, it has been noted that as homeownership in the U.S. tends to decline during the financial crises, it results in impacting young people. There are certain factors that are directly linked with student debts. There is a high need to understand that an increase in student loan tends to result in pushing down homeownership rates. Studies and research show that a number of young individuals tend to view students like a major impediment to home buying.

 One thing that must be taken into consideration is the fact that students having debts are not able to start a family any time soon. Apart from this, retirement can also be delayed. It has been discovered that more than 62 percent of people tend to put off saving for retirement, because of student debt loan. There is a high need to understand that student loans can be resulting in losing the social security check (Esson et al., 2016).

**Effect on Personal Life**

 Studies and researches have proved that student loans tend to result in reducing the lifetime wealth of students. When it comes to a rough estimate, a $53,000 amount of student loan can be resulting in a whopping minimum of $208,000 worth of wealth loss. It can be considered true for dual income households. One thing that must be taken into consideration is the fact that such wealth equivalent to what a person can acquire over a lifetime. There is a high need to understand the fact that such a loss could have been invested in a small home that may help to earn a passive income. There is no doubt that student loans tend to reduce the financial opportunity for students.

 As the income of individuals is seen tied up to the student loan payments, it may result in students losing a number of chances for making investments. Such investments can be helpful for the growth of personal wealth. The possible investments in such a scenario would include a house or a car. Apart from this, the retirement fund can also be taken in one of these investments. In case if someone is failed in such things, he/she is seriously jeopardizing his/her own future.

 Moreover, student loans tend to result in hindering such students from becoming financially independent. There is no doubt that a large number of stories are seen of new graduates who have opted for staying with parents. The reason for that is quite simple as they were able to cut back on costs (Barr et al., 2016). When it comes to their intention, it is simply to grow their disposable fund as it may help them to pay more towards their debts. One of the major issues is the delay from experiencing milestones. In most of the scenarios, the new graduates tend to delay their marriage, because of the debt (Gicheva, 2016).

**Abandon Dreams**

 There is no doubt that student loans tend to result in abandoning the dreams of students. Even at the age of 25 to 30, students are seen coming from home and heading straight to the bed. Such people do not emerge again until the next day. Studies and research show that such people are seen to be more than depressed (Callender et al., 2017). The reason for that is quite simple as the life of such individuals were not supposed to be unfolded in such a way. In a number of scenarios, it has been observed that students who even acquire a good job are not able to fulfill their dreams. The reason for that lies in the fact that even after a job, their first goal is to clear the debt. Therefore, the dreams of such individuals do not seem to be fulfilled at all.

**Career Options**

 There is no doubt that students loans pertain to have a deep impact on the career options of an individual. Studies and research show that a minimum of 13 percent of workers globally is actually seen enjoying their jobs. There is no one who wishes to have his/her existence among those 87 percent for whom work leaves something to be desired. There is no doubt that a large number of people are satisfied and fulfilled by their careers. However, it must be taken into consideration that there are a number of others who tend to despite their jobs but are seen stuck in a type of indentured servitude.

 The matter of fact is that the ones who tend to carry student loan debt are undoubtedly likely for choosing careers in the public interest or non-profit sectors. In the world where workers tend to switch jobs an average of each 4.4 years, such needs or desires for shifting careers on a dime may be hampered due to the burden of debt. In a nutshell, it can be assumed that the student loan debt is undoubtedly the biggest enemy for career flexibility. There is no doubt that when it comes to the individuals having high levels of student loan, they are on a less chance to start their own business. When it comes to acquiring some sort of a small business loan, there is no doubt that it tends to require being debt-free.

**Lifestyle**

 The mortgage is considered to be the only type of debt-burden which is larger than student loans. There is no doubt that debt tends to have a great effect on the available choices in adulthood. It must be taken into consideration that such effects are far more likely to delay marriage for financial reasons as compared to the reasons without reasons. Studies and research show that more than 23 percent of graduated tends to choose for putting off having kids until the student loans are paid off.

**Upcoming Education**

 There is a high need to understand the fact that a college degree is no longer considered being sufficient for entry into a number of most sought after professions. In case if the students are seen planning to get a graduate degree for entering the dream profession, they must be exploring that cost before they commit to taking the significant loans. The matter of fact is that a large number of degrees that may allow a student to lower-paying jobs are quite costly as well. It must be taken into consideration that acquiring a degree in Masters is more likely to cost two or three times of an individual's future salary.

**National Economy**

 The future of students has a lot to do with the national economy as well. There is a strong linkage between the two of them. Student life affects the different perspectives of life which include the national economy as well. There is no doubt that the national economy has a great influence on the future of students (Baum, 2015). When it comes to student loans, there is no doubt that they tend to make college education a significant turn off. Studies and research show that the students who start entering the workforce without pursuing high education, they tend to pursue their own businesses. There is no doubt that the ones having higher education tend to earn more. It must be considered that a few of them would go straight to blue collar jobs. The matter f fact is that such jobs tend to offer quite lower salaries that result in keeping the young adult in poverty.

 There is no doubt that the student loans that tend to hinder borrowers to purchase cars or home tend to affect the respective industries. In case if the government does not incorporate certain actions without regard to this, there is a high chance that there will be an effect on the growth of business sectors. When there is seen an industry to be failed, it can be assumed that jobs creations will be affected. Apart from this the households that depend on them may suffer. One thing that must be taken into consideration is that the student loan programs that are backed by the government tend to spend federal budgets. The matter of fact is that the increase in the student debt problem will undoubtedly result in forcing the government to allow a budget.

 A number of students are observed to borrow loans with a sole purpose to spend less. A major reason behind this could be the reason that they are not able to afford to spend on items (Callender et al., 2017). The perfect example in such a scenario would be of half of the student loan borrowers who tend to put off buying a car. The reason for that lies in the fact that their student loan debt does not allow them. In the United States, when people intend to pay for services and goods, the outcomes of this results in keeping the economy growing and running. Therefore, when it comes to a consumer-driven economy like the U.S., less spending tends to mean lower profits and revenues. The outcomes of this can result in slow financial growth.

**How to Avoid the Bad Effects**

 It may seem difficult to understand the ways in which student loan debt can be dealt with. However, in actual practices, it is not that difficult as it seems. Although it requires the involvement of some specific amount of sacrifice, keeping the practices in mind may help to overcome the issue. One of the foremost things to consider for overcoming the bad effects of student loans is to have a proper practice of financial management. There must be proper attention given to financial management as it is one of the crucial factors in student loans. When it comes to financial management, it tends to include learning ways to budget, save, and spend money in a wise manner. It must be taken into consideration that in the end, it makes the authority realize that debt is not an as significant problem as it looks like. The matter of fact is that it all depends on the way in which decisions are taken for using finances and reacting to debt that result in putting students in trouble.

 There is a high need to keep a tight rein on different types of debt. At first credit card debt must also be taken into consideration. Authority should make sure that it is keeping the credit card debt low. The reason for that is quite simple as it will result in not jeopardizing the payments students make towards their respective student loans. Another crucial aspect here is linked with the options. There is a high need for the students to know their options to get out of their student debt. There are a number of different programs offered by different organizations that serve in helping students in lowering their payments. Meanwhile, these programs help to maximize the reduction on the principal debt of students as well.

 Moreover, there is a high need for students to get professional help. There is no doubt that students having student loans must consider the help from professional as it may serve in providing them guidance. There are a number of students that are able to afford to pay their debts. However, such students are often observed having lack of knowledge which results in hindering them to make progressive payments. Therefore, there is a high need to seek guidance from professionals.

**The Other Side**

 Although the main factors of students loan tend to have a negative effect, there are some positive aspects of student loans as well that cannot be neglected. There is no doubt that student loans tend to hold back borrowers in terms of finance (Baum, 2015). When it comes to the U.S. economy, there may be some positive side of student debt. Student debt is undoubtedly a tool that is quite helpful for a number of Americans to access a college education. One of the most significant aspects of student loan is that it results in higher incomes. When it comes to the workers that attain a degree of bachelors, they gain a minimum of $1 million in lifetime earnings. There is no doubt that the higher income indicates that such graduates will be having more money to spend in their life (Webber, 2016). The increase in the number of jobs results in making the business sector strong. The increasing jobs allow a great number of individuals to earn incomes. This income results in putting the money back in the government and economy.

**Conclusion**

 Student loan regardless of helping students also plays a vital role in increasing the debt with the passage of time. It must be taken into consideration that if the loan is not paid within the short time period, it may result in incrementing the value. Hence, it will become more than difficult for any student who has borrowed the loans to pay for his/her tuition. There is a high need to understand that an increase in student loan tends to result in pushing down homeownership rates. Studies and research show that a number of young individuals tend to view students like a major impediment to home buying. One thing that must be taken into consideration is the fact that such wealth equivalent to what a person can acquire over a lifetime. There is a high need to understand the fact that such a loss could have been invested in a small home that may help to earn a passive income. In the world where workers tend to switch jobs an average of each 4.4 years, such needs or desires for shifting careers on a dime may be hampered due to the burden of debt

 There is no doubt that a large number of people are satisfied and fulfilled by their careers. However, it must be taken into consideration that there are a number of others who tend to despite their jobs but are seen stuck in a type of indentured servitude. In most of the scenarios, the new graduates tend to delay their marriage, because of the debt. In a nutshell, it can be assumed that the student loan debt is undoubtedly the biggest enemy for career flexibility. Studies and research show that more than 23 percent of graduated tends to choose for putting off having kids until the student loans are paid off. Even in the developed counties like the United States, when people intend to pay for services and goods, the outcomes of this result in keeping the economy growing and running. Therefore, when it comes to a consumer-driven economy like the U.S., less spending tends to mean lower profits and revenues. When it comes to the workers that attain a degree of bachelors, they gain a minimum of $1 million in lifetime earnings.

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