

Thème PCSI (corrigé)

USA: The student debt, a threat for universities/colleges and a major political challenge

If Americans seem not to know about the fact that studies are free in Europe, young Europeans often don't realize the extent of the US student debt. In the American system, education is considered as a personal investment rather than a right. The student debt triggers a large amount of stress for young American graduates, who start working with having to pay back long-term loans, which represents a major economic challenge for each student and for the country as a whole.

The student debt is also a major worry/concern for US university leaders, especially this fall which has been characterised by a complex economic, social and political context. The question of student loans keeps impacting the access to higher education and the students' everyday life, representing a central challenge for the future of US academic institutions.

In June 2024, the US student debt reached around/about/approximately \$1,700 billion, or a 42% rise in ten years, according to Pew Research Center. A quarter of adults under 40 have a debt, against only 4% of the people over 50.

The student debt has major economic consequences, restricting young people's capacity to consume and invest. Many graduates use a large part of their income to pay their loans back, which slows down economic growth and upward mobility.