

# Student Load Forgiveness Explained

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**So**, where did the idea for the current student loan system come from? Do you remember the multitudes of American citizens, with signs demanding that government facilitate students getting loans for education?

Don't feel bad if you can't remember the multitudes demanding a student loan program. I can't remember either because that never happened.

On the other hand, lobbyists working on behalf of lending institution, did what the citizens didn't do? They lobbied for years to get congress to pass the law that created our system of financing student loans. They got the bill passed?

What lenders did was to have congress create for them a risk free investment. There was virtually no way for a borrower to default on a student loan. Student loans cannot be written of in a bankruptcy. Student loans exploded. Colleges geared up got more and more expensive. Education became a ruthless industry. The economic value of a degree to the student continues to go down.

Now it turns out that there can be one last problems lenders face. What if the economy tanks and student loans can't be paid off? Doesn't it makes sense now that all loans be forgiven? Loans forgiven means all risk disappears completely.

Did you see multitudes of Americans demanding that all student loans be forgiven? No, it didn't happen. Somebody petitioned government? Who was it? It was the same group that lobbied to have the system initiated.

Lots of Americans paid off their student loans. You have to wonder how these folks feel? Perhaps they reason that they would have been better off not paying either.