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The
**great
unwind**
and what you
can do about it

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A college degree

...plus \$55,000 in student loan debt

By Gordon Wadsworth

Recently, a new college graduate called a radio talk show and asked the host if she knew of any assistance he could find for his \$55,000 in student loans. As I listened, I felt compassion and concern for him. I doubt that he understands what he will be facing in the years to come.

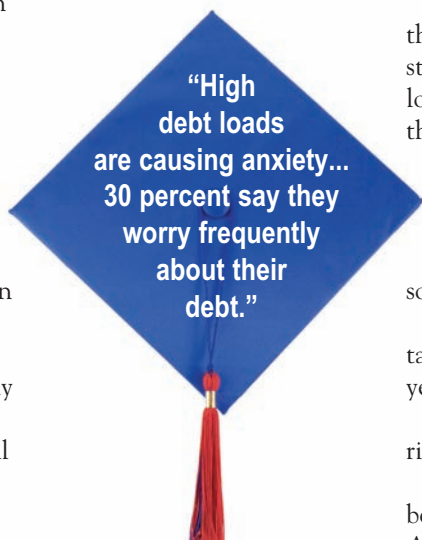
College students look forward to finally earning their degrees, but often those degrees are tainted with interest-bearing student loans. Owing \$55,000 in student loans at 6.8 percent interest and working in a retail chain store in an hourly position can easily lead to emotional as well as financial problems.

Research shows depression, anger, sleeplessness, stress, and anxiety as some of the leading causes for concern among college students today.

What is flagrantly missing from this research is one of the major causes of these problems: excessive amounts of debt, including college

loans and high interest credit cards. Carrying those same concerns into the workplace may only intensify the distress.

In an interview last year with CNN reporter Phillip Lucas, Shalonda Jones, with



the National Foundation for Credit Counseling, discussed the pitfalls of students leaving home for college without knowledge of personal finance. "Shoving kids out the door [to college] is like shoving them off a cliff," said Jones. "We all know when

you're away from home with a little freedom and money, students tend to take that freedom and lose their heads."

USA Today reporters Mindy Fetterman and Barbara Hansen tell the story of Heather Schopp in California, who has nightmares about her \$165,000 in student loan debt. "I dream I'm on a hot-air balloon, hanging on for dear life," she says.

Fetterman and Hansen say that twentysomethings are straining under a crushing load of debt, which is greater than that of previous generations. The two writers say that

- almost two-thirds of twentysomethings carry some debt,
- those with debt have taken on more in the last five years,
- their late payments are rising, and
- they are more likely to be late than other Americans.

The writers also say that nearly half of twentysomethings have "stopped paying a debt, forcing lenders to 'charge off' the debt and sell it to a collection agency, or had cars repossessed or sought bankruptcy protection. High debt loads are

causing anxiety, too. And 30 percent say they worry frequently about their debt.”

Although we can't change the outcome of those who have graduated with financial bondage, as a Crown financial instructor, I can and do show them how to eliminate the debt and the stress associated with the bondage.

Our new “Journey to True Financial Freedom Seminar” walks people through a perfectly organized Debt Snowball program that leads directly to financial freedom in the months and years to come.

In addition, the federal government offers two outstanding programs to help college students and graduates. The most lucrative is the Army and Navy Loan Repayment Program, whereby the military will eliminate up to \$65,000 in student loan debt for a three-year service commitment. Other government agencies will pay back \$10,000 of student loans per year (up to \$60,000) to graduates for each year of employment.

If you are just enrolling in college and not yet caught in the credit card trap or student loan snare, there are alternative ways to pay for college including select scholarships, college grants, co-op opportunities, work-study programs, distant ed classes, and self-canceling student loans.

In addition, many high school students are taking advantage of the CLEP and Advanced Placement programs, enabling themselves to begin college as a sophomore—as detailed in a new Web-based college financial guide, *The College Trap*.

When addressing high school parents and students during a college financing seminar, I continually remind them to seek every opportunity to attend college for little or no money. Some colleges offer free tuition for students working on campus. Other students receive a “free ride” following outstanding performances during their national SAT or ACT testing.

Writing for Bankrate.com, columnist Lucy Lazarony said, “Find a school where you're a star.” That does not mean that you have to be a super high achiever. It may just mean applying for admission to a college where your scores are above the average for incoming students.

As Ray Loewe, president of College Money in Marlton, New Jersey noted, “Every student is a star at the right college.”

Gordon Wadsworth is the author of *The College Trap* and is a veteran Crown seminar instructor. For more information on *The College Trap*, visit TheCollegeTrap.com or the Resources section of Crown.org.



Crown Financial Ministries currently has a presence in over 60 nations, resulting in opportunities for you to be part of teaching people around the world about God's financial principles!

Crown *ignite!* is a two-day training that equips you with the materials and knowledge to train people outside of the US in these wonderful truths.

If you, your church, or business have relationships overseas and have a desire to share the principles of faithful stewardship, then this is the perfect opportunity for you!

The next training is November 7-8, 2008 in Gainesville, Georgia. For more details and to register, visit Crownignite.org.