Student Loan Forgiveness Again (I know, I know. Sorry.)

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It came across the CNBC crawl midmorning yesterday: "Biden Announces $9B in Student Loan Forgiveness for 125,000 Borrowers." I nearly choked on my Twizzlers. Hadn't the Supreme Court blocked his reckless, illegal vote-buying scheme? How could he do it? And $9 billion for 125,000 borrowers averages to $72,000 per borrower. Who are these people?

I quickly turned to the White House statement on the initiative, which has this Orwellian opening: "President Biden has long believed that college should be a ticket to the middle class, not a burden that weighs on families. That's why from day one, his Administration has taken unprecedented steps to fix the broken student loan system, make college more affordable, and bring the promise of higher education in reach for more Americans."

Let's be very clear. I have no idea what President Biden has long believed, but the administration has done nothing to fix the student loan system, which is broken. Why has it not proposed a fix to Congress for the next generation of borrowers? Maybe he thinks fixing just means forgiving. Who knows? But you can be sure that this does nothing to make college more affordable; if anything, it provides colleges and universities the ability to raise their tuition. And, because it is backward looking, it does nothing to bring the promise of higher education in reach for more Americans.

Instead, it is just walking-around money for anybody the president could squeak past the courts using income-driven repayment: $92,113 each for 53,000 public-service employees, $54,902 on average for 51,000 windfall recipients under the new rule, and $54,545 each for borrowers with disabilities. Are these individuals deserving of $9 billion in largesse at the expense of the taxpayers? Who knows?

Financing higher education in the United States has been folded, spindled, and mutilated over the past two and a half years. It is time to start over.