

By Erika Moore

The debt trap

As I sat in the financial aid office, the seat was cold and the chill seeped into my body. I was about to sign away another \$20,000 in student loans to continue my education at one of the best universities in the United States. I didn't want to sign; I had never seen \$20,000 in my life. But I had already come so far—I was in my third year of college—and I didn't see any other choice. Looking back, though, I wish I'd thought more about the implications of my financial decisions. My debt nearly kept me from pursuing graduate school and becoming the scientist I am today.

When I got accepted, I had three siblings already in college, and like many Black families, we didn't have inherited family wealth to dip into to finance our education. My parents had always made it clear that the cost of my schooling was my responsibility.

So I applied for student loans. I had a scholarship that covered two-thirds of my tuition. But I needed money for the remainder, as well as for books, housing, and food. I hadn't thought through those costs before I started, and it was daunting when they started to add up. I worked at the student center and tried to live frugally, tracking my expenses and eating for free whenever possible. But by the end of my degree, the loans had snowballed.

As graduation neared, I returned to the financial aid office and learned just how big the snowball had gotten: I owed \$65,000. I had been preparing to apply to graduate school to study biomedical engineering. But after seeing how much I owed, I wondered whether that was even an option.

I could defer my student loan payments while in graduate school. But when I examined the details, I discovered my debt would continue to collect interest at a rate of 6%. That meant if I didn't make any payments during a 5-year Ph.D. program, I would owe \$88,354 instead of \$65,000. Was my graduate education worth adding more than \$23,000 in interest on my loans?

Friends were signing job offers and making plans to pay off their loans, which made me wonder whether that was the path I should take. Weighing my options left me feeling overwhelmed. I didn't want to ignore my debt problem. But I also didn't want to put off attaining my Ph.D.

I knew it would be challenging to make student loan payments while living off a graduate student stipend. But I applied for graduate school anyway and gave it a try. I earned roughly \$33,000 per year, and I supplemented that income



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by working as a dog walker, a house sitter, and a babysitter. I took a job in campus housing, which allowed me to live rent free. I also continued to live frugally.

Hustling from the lab to a dog-sitting gig and back was not an easy task. I had to manage my calendar carefully. But it was worth it: I was able to pay off all my student loans by the time I graduated. I also secured an offer for a faculty job before graduating—which was a relief because by now, I had educated myself on finances. I knew it was important to start making retirement contributions as early as possible in life. And I wasn't sure I wanted to spend years as a postdoc making barely more than what I earned as a Ph.D. student.

Looking back, I wish I'd had more training in financial literacy during high school and college. Had I been more aware, I might have taken a different path. For instance, I could have reduced the cost of my education by going to a lower priced community college for the first 2 years. Or I could have applied for scholarships more aggressively.

Now that I'm a faculty member, I've made it a priority to pass what I've learned about finances on to students I teach and mentor. I worry, in particular, about those who are members of historically excluded groups because they are more likely to graduate with debt. I tell them to apply for as many scholarships as possible, to pay attention to the details in each loan, and to keep track of their expenses.

Seeing them pay off their loans and make decisions that are financially informed fills my heart with joy. I don't want them to have to question their career aspirations the way I did. I want them to pursue the path that's best for them, with a clear understanding of how it will impact their finances. ■

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