**Recent College Grads Moving Home, Saddled With Historic Levels Of Student Loan Debt by Thomas Keen**

Donning cap and gowns, graduates at the University of Oklahoma rejoice.

NEW YORK -- While one's college graduation is normally a time of jubilation, Megan Muller can more than relate to the sense of defeat that now hangs over the class of 2011.

Muller, 26, graduated from Kean University in Union, N.J., yesterday with a bachelor’s degree in communication. She is the first person in her family to graduate from college.

Like many graduates, she's now faced with the larger worry of living back at home while also paying down vast amounts of debt.

All along, money’s been a chronic source of anxiety. In order to finish, Muller took out more than $70,000 in student loans and has another $10,000 in credit card debt.

Midway through college, after transferring and taking a few semesters off, Muller moved back in with her parents in order to save money.

And until she can move out and find her own place, it’s the credit cards she must first pay down -- in addition to beginning repayments on her student loans.

“Trust me, you don’t want to be 26 and still living at home with your parents,” explains Muller, who, daunted by the expense of college, struggled with whether to finish at all. She currently makes about $25,000 as an assistant editor at [*Federal Practitioner*](http://www.fedprac.com/), a peer-reviewed medical journal.

Top of Form



Bottom of Form

Muller is hardly alone in her ongoing quest to establish an independent life.

In addition to the normal job worries, the class of 2011 is saddled with a dual set of other obligations: [moving home and paying back debt](http://www.nypost.com/p/news/business/of_college_grads_return_to_nest_kjMXejGjOymsRom3pz9gaM). 2011 graduates face historic burdens from student loans -- an average of $27,200 for graduates that borrowed money in order to finish school.

“We tell people they need to get a college education in order to succeed, but then we put all of these roadblocks in their way by then making it practically impossible to repay what you owe,” says Michael D. Hais, who, along with Morley Winograd, coauthored the forthcoming book “Millennial Momentum: How a New Generation Is Remaking America.” The two men describe the number of 20-somethings moving home as “historically unprecedented.”

Andrew Sum, a professor of economics at Northeastern University, couldn’t agree more. “This is our country and this is our future and we’re failing them,” says Sum, who reports a record number of 2011 graduates returning home to their parents' nest. As a consequence, Sum sees young graduates not only delaying the formation of their own households, but consequently unable to achieve a desirable standard of living.

Apart from the longer-term consequences associated with moving home, Sum’s data reveals another concern altogether. Namely, that young people face high amounts of debt and a lack of decent jobs.

Using data from the U.S. Bureau of Labor Statistics, Sum reports that as many as 50 percent of college graduates under the age of 25 are underutilized, meaning they’re either working no job at all, working a part-time job or working a job outside of the college labor market -- say, as a barista or a bartender.

Mark Kantrowitz, who came up with the $27,200 figure based on the National Postsecondary Student Aid Study and publishes the financial aid sites [Fastweb.com](http://Fastweb.com) and [FinAid.org](http://FinAid.org), is concerned that debt at graduation is outpacing starting salaries.

It’s a worry that Muller and many of her classmates also share.

Going to school while working full-time required that Muller learn to survive on fewer and fewer hours of sleep. Coffee became her fuel.

Name the job -- whether working as a nanny, as a waitress, behind the counter at a beauty supply store or at the front desk of her local gym -- and she's done it.

And while Muller realizes she’s fortunate to have a job, her paycheck is hardly enough to repay her existing debt while she saves to get her own place.

Meanwhile, Muller is toying with whether to go into more debt in order to finance a graduate degree, hoping that more qualifications might lead to a bigger paycheck.

“But so what if I’m $100,000 in debt and living in a smaller house and not able to afford the nicest clothes?” asks Muller, whose to-do list remains longer than her shopping list, despite yesterday's high of finally receiving her diploma. “One day, it’s all going to pay off.”