

## PMorgan's Jamie Dimon: Student lending in the U.S. is a 'disgrace' and it's 'hurting America'



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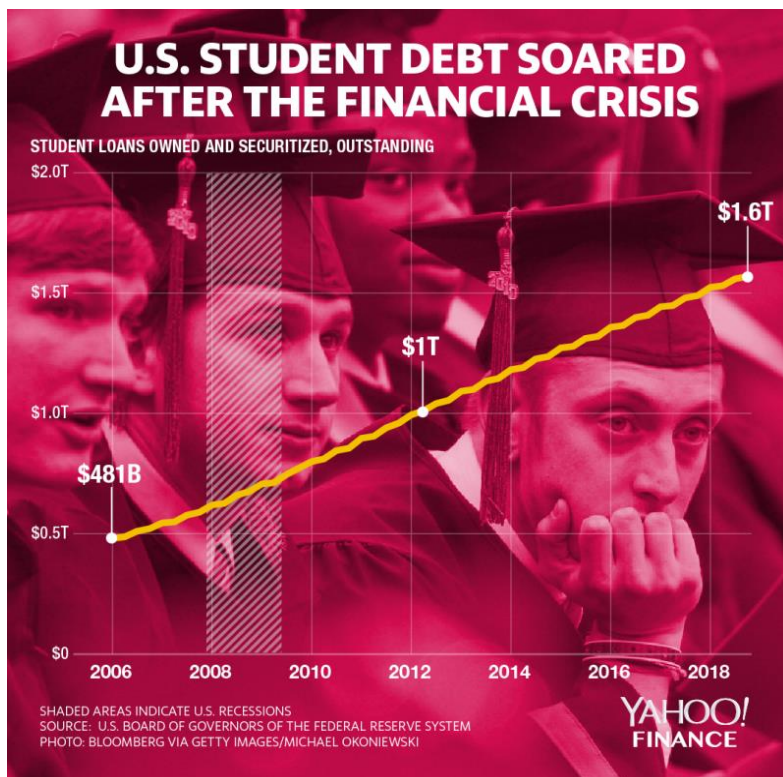
JPMorgan Chase (JPM) CEO Jamie Dimon says student lending in the U.S. has been "a disgrace" and it's "hurting America."

"Is there an issue with student debt? There is, but you've got to stop the creation of bad debt," Dimon told Yahoo Finance's Andy Serwer in an exclusive interview at the unveiling of JPMorgan's [new flagship bank branch in Midtown Manhattan](#).

Dimon added that the government has "irresponsibly" lent more than \$1 trillion since taking over in 2010.

"And now they want to forgive it," he said.

[See Also: [Jamie Dimon describes the bank branch of the future: Fewer tellers, more advisors](#)]



Student loan debt has soared over the last decade. (Graphic: David Foster/Yahoo Finance)  
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Student loan forgiveness has become a focal point of the 2020 election, with Democratic contenders rolling out plans. This week, Sen. Bernie Sanders (I-VT) [unveiled a sweeping cancellation plan](#) that proposed taxing financial transactions.

"I think they should look at all parts of student lending, fix the broken parts, and then forgive those people need forgiveness, and then help people get into school, and then make sure the schools are responsible in getting the kids out," Dimon said. "And what we've done is a disgrace, and it's hurting America."

He pointed out that a tax on financial transactions would be paid by investors.

"How they go about taxing, I'll leave that to the politicians to figure that out," he said.



Schools should be responsible for getting students to graduate.

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Dimon also called out universities for not ensuring better graduation rates.

"Universities should feel more responsibility," he said. "So if you're going to make loans, make good loans that people need to get them to where they're going and get them good jobs at the end."

**[See Also: [Jamie Dimon: If we're lucky, we'll get a trade deal by the 'end of the year'](#)]**

In his annual letter released in April, Dimon criticized the "irrational" student lending that has become a "significant issue" impacting the economy.

"The impact of student debt is now affecting mortgage credit, and household formation — a \$1,000 increase in student debt reduces subsequent homeownership rates by 1.8%. Recent research shows that the burdens of student debt are now starting to affect the economy," Dimon wrote at the time