



\*\* [Read this first:](#)

\* ["Why College Prices Keep Rising"](#)

\* This just in-Lawsuit research- VERY IMPORTANT:

[\(Microsoft Word \\*.doc version\)](#)

[\(PDF \\*.pdf version, more stable\)](#)

**Selected Active Petitions**

\* [Returning Bankruptcy Protections](#)

\* [The 'Million Signature' petition](#)

Mon. 09-16-2013 - *Special to [The Register](#):*

[Crippling debts make it difficult for graduates to achieve dreams](#)

**Selected ADVOCACY**

\* [LawSchoolTuitionBubble Wordpress.com](#)

(Research & commentary on the Law School Tuition Bubble.)

\* [HigherEdBubble Wordpress.com](#)

\* [EducationBubbleAndScamReport.com](#)

\* [EduBubble.com/dpp](#) (A redirect from:

[EduBubble.com](#)) A site about the book: Beating the College Bubble, which provides both a free downloadable version as well as a print version for a fee.

\* [AllEducationMatters.Blogspot.com](#)

\* [EducationStormfront.Wordpress.com](#)

\* [OpenYourEducatedEyes.Blogspot.com](#)

(Educating the education consumer and challenging the argument that tuition is sky high due to the "free market.")

\* [ScholasticSnakeOil.Blogspot.com](#)

\* [" U.S. PIRG "](#)

\* [EqualJusticeWorks](#) (at: UsNews.com)

\* [ThirstForJustice.net](#)

\* [StudentLoanJustice.org](#)

\* [StudentDebtCrisis.org](#)

\* [AgingWithStudentDebt.org](#)

\* [ProjectOnStudentDebt.org](#)

\* [ForgiveStudentLoanDebt.com](#)

\* [StudentDebtWar.org](#)

\* [StudentDebtEmergency.Blogspot.com](#)

\* [Student Loan Ranger](#) (at: EqualJusticeWorks.org)

\* [Student Loan Ranger](#) (at: UsNews.com)

**Selected ADVOCACY: part 2**

\*\*\* **"Student Loan Justice" web-ring:**

\* Nationally-recognized College Loan advocate, Alan M. Collinge, has been featured in many papers, TV, and Cable networks. [Google him](#) if you doubt.

\* <http://StudentLoanJustice.org> (Official page)

\* <https://twitter.com/AlanSLJ> (Regularly-updated

Twitter feed)

\* <https://m.facebook.com/groups/SLJGroup>

(Facebook group for Mobile devices/iPhones)

## Higher-Ed Tuition Costs: The 'Conservative' view is not on either extreme

*Students are told from an early age that an education is the only way to success, and yet when they follow the inevitable path, they are lured into a trap -a debt-trap.*

By Gordon Wayne Watts (Editor-in-Chief: [The Register](#) -- [GordonWatts.com](#) / [GordonWayneWatts.com](#))

(A 377-word Letter on this same topic [[link](#) / [cached copy 1](#) / [cached copy 2](#)] published Sunday, Oct. 18, 2009 in [The Tampa Tribune](#), Views section, p.3.;and, a 295-word Letter on this same topic [[link](#) / [cached copy 1](#) / [cached copy 2](#)] published Friday, June 03, 2011 in [The Ledger](#) (of LAKELAND, Fla.), Editorial page, p.A8. --

Published: Monday, 28 September 2009 ; **Last Modified: Saturday, 06 July 2019**

**NOTE:** This short, well-documented research paper (which has been cited[39] in Wikipedia's articles, as well as [The Whitehouse Petitions link here](#)) is only 2,095 words (13,131 characters), according to OpenOffice Word Processor -- Titles, Headers, Updates, Graphs, & citations to Sources (to document some strong claims herein) drive the word-count up considerably, but *The Register* does not stop short to cite our sources.

**Position Paper** -- A well-documented study into the U.S. Higher Ed crisis: Causes of skyrocketing tuition and declining quality of institutions of Higher Education in America -- Proposed solutions

We think of conservatives as right extremes & liberals as left, polar opposites. However, true conservatives are in the middle (on this matter anyhow), liberals on the extremes. First, the history:

In the 1956-57 school year, one source[1] reports a year of college cost \$138, and another source[2] is in close agreement. But remember we have to adjust for inflation: The \$138 figure is about \$1,062.71 in 2008 dollars[7], probably the same for 2009, considering the year's inflation[3] was about 0.1%. However, nowadays, the same year of college costs about \$10,066, about a 10X increase. Other sources[4-6] indicate a cost of \$6,142.58 for tuition and \$6,920.94 for housing, for a total of \$13,063.52 per year, even higher than the \$10,066 fig.

Drug users and the criminally insane can take out a line of credit, and run up tons of debt and (although it's hard) still declare bankruptcy.[8-11;36] However, student loans are unique among all loans in the lack of standard consumer protections (truth in lending; bankruptcy proceedings; statutes of limits; the right to refinance; adherence to usury laws; and, Fair Debt & Collection practices, etc.) afforded the borrower.[12-14] (If institutions of Higher-Ed knew that students could declare bankruptcy, they would be more apt to charge a fair, free-market value for their product -instead of monopoly-style collusion to keep both tuition principle as well as interest rates[36] high -with garnishment and collection and powers that a mobster would envy.)

The fact that this has driven many students to suicide[15-18;36] is not without merit: You used to never hear of student loan suicides -this has only now become a crisis in Higher-Ed recently. (Their blood should count for something.) OK, that's the problem: Skyrocketing Tuition & 'Tuition Bankruptcies,' like 'Medical' & 'Housing Bankruptcies.' If Education is the BACKBONE of America, we have a BROKEN BACK. However, have you considered why this has only now occurred? Let's eliminate higher quality as an explanation for the tuition increase. Mainstream media[19-21] claims education quality has actually decreased; Sean Hannity & I both agree[22] that quality has plummeted, so higher tuition isn't due to better quality.

Any guess why skyrocketing tuition increases have only NOW become a problem? Yes. Since government keeps bailing out[Figure-3] Higher-Ed with our tax dollars[Figure-2] for grants & loans to students and funding of colleges & universities, these institutions have guaranteed income, thus no incentive to lower prices to Free Market supply & demand values. Put another way, they could care less if you go bankrupt & screw-up your life trying to pay off your debt: They've already gotten bailed out[Figure-3] in advance. Picture this: Let's say every restaurant & supermarket is subsidized by Big Brother using tax dollars: Would they be hurt if they charged say \$100 for a Big Mac, eventually bankrupting you? No. This isn't the first time the concept of either expensive food[23] or over-taxation[24] has surfaced. Same with Higher-Ed, the Housing Market, and Social Security. Because of inefficiency & graft, both Hannity & I also agree[22][Figure-2] that tax dollars don't need to keep going to Higher-Ed: Let them stand or fall on their own merit -free market style.

It seems that every time Congress raises the loan limits for Student Loans, and students can afford more (read: go deeper in debt), colleges mysteriously find new excuses to raise the tuition. "Things that make you go 'hmm...!'"

Here's where I break ranks with Sean: He feels no matter what government throws at us, we can somehow pay off bills if we work hard from 6am-midnight.[22] NOT. *Here's where liberal extremes come in:*

\* <https://facebook.com/groups/SLJGroup>  
(Facebook group)

\* <https://www.youtube.com/user/StudentLoanJustice>  
(YouTube channel)

\* (See also) ([YouTube video listing](#))

He is also [the author](#) of the ground-breaking exposé, "[THE STUDENT LOAN SCAM: The Most Oppressive Debt in U.S. History—and How We Can Fight Back.](#)", available at all major book sellers, and available in both paperback (ISBN-13: 978-0-8070-4231-1) and hardback (ISBN-13: 978-0-8070-4229-8) versions, such as the [\[Paperback\] version on AMAZON \(here\)](#) or [\[Hardcover\] version on AMAZON \(here\)](#), or even the [KINDLE version \(here\)](#).

**New:** Selected [LAW School](#) abuses

\* [ThirdTierReality.Blogspot.com](#) (Blog's goal is to inform potential law school students & applicants of the ugly realities of attending law school.)

\* [InsideTheLawSchoolScam.Blogspot.com](#)

\* [LawSchoolTuitionBubble.Wordpress.com](#)  
(Research & commentary on the Law School Tuition Bubble.)

\* [SubPrimeJD.Blogspot.com](#) (A blog dedicated to exposing the law school & higher education scam, the 'Ponzi-like' structure of the US economy and in opposition to the US war machine.)

\* [ForgottenAttorney.Wordpress.com](#) (A voice among the silent majority of young attorneys.)

\* [FirstTierToilet.Blogspot.com](#) (Just Another Blog by an Indignant Graduate for Indignant Graduates.)

\* [TemporaryAttorney.Blogspot.com](#) (With over 5,000 daily visitors, help expose the nasty sweatshops, swindling law schools, and opportunistic staffing agencies.)

**Selected INFO**

\* [BestCollegesOnline.com](#) (Collage ranking and informational site)

\*\* "[Financial Aid Made Easy](#)"

([BestCollegesOnline.com](#))

\* [PersonalLoans.org \(What Every Student Must Know About Student Loans\)](#)

\* [OnlineSchools.org \(Drowning in Debt - graphic\)](#)

\* [FrugalDad.com \(COLLEGE ISN'T CHEAP -with graphic\)](#)

\* [FinAid.org](#)

\* [FastWeb.com](#)

\* [EducationSector.org](#)

\* [QuickAndEd.com](#) (The QUICK & the ED)

\* [Ed.gov \(U.S. Dept. of Education\)](#)

\* <http://CenterForCollegeAffordability.org>

(Founded in 2006, The Center for College Affordability and Productivity (CCAP) is an independent, not-for-profit research center based in Washington, DC. The CCAP exists to help facilitate a broader dialogue on the issues and problems facing the institutes of higher education in the

\* **On one extreme:** You have people asking for free handouts. They don't want to pay for ANY education: Let the government do it all: That's how Sean classed me in his recent show.[22]

\* **On the other extreme:** You have today's students paying MORE than their fair share, FAR more than peers of yesteryear, for an education whose quality has actually gone DOWN, not up. Since most colleges & universities are state-owned & state-funded and practically ALL institutions of higher ed, even private colleges, receive funding from tax dollars[Figure-2] through grants & loans (not to mention being tightly regulated by government as well), they're a de facto ARM of government. Thus funding influx (e.g., tuition) is effectively a tax by the very definition. And if you have someone like Hannity defending extortion of students by a tax[22] which has already increased 10X, you're effectively supporting tax increase.[24] **This extreme is also "Blue-State"-liberal.**

Therefore, having each student owe only the actual value of his/her education would be the conservative thing to do[Figure-1] because it falls under moral rights & wrongs as a right thing. Jesus even asked followers[25] that if someone wanted you to go 1 mile to go 2 (e.g., 'double'). So there's a good case to be made that paying 'DOUBLE' (that is, 200%) is also OK since many fiscal conservatives are also religious conservatives thus in alignment with Jesus' creed. Society has finally gotten rid of the scourge of slavery[26] -or have we[38]? Now they've found a way to snare a whole new group: "Debt Slaves"[26-27,38] of all races, creeds, and genders -who they would put in bondage for life under crushing debt. So, immediate forgiveness of the debt[28] of those overcharged would be the only way to right the wrongs and then reset the debt owed to 100%-200% of actual costs. For those who've already somehow paid back their debt, this is stickier. Either these students would have to forgive the government or they might get free education for family members, but to outright refund them cash, even if morally justified, might have an extreme inflationary effect as the number of dollars in circulation increases. Besides being the morally "right" thing to do, when these debt slaves[26-27,38] are freed, they will be able to spend more money on basic necessities -thus stimulate the economy; the only ones who would suffer are the banks and lenders -who profit off of others' financial ruin. Colleges made do in the past & they'd make do now to learn to live within their means, stop paying exorbitant salaries, funding stupid building projects, unnecessary clubs & activities.[33] We've done it before -we must do it again: **"Red-State"-Conservatives must once again save the future. (PS: If you're a liberal reading this, you should realize that this affects you too and that we must put aside pride and work together, lest 'divided we fall' -under the weight of crushing and enslaving debt.)**

Furthermore, in the absence of fundamental consumer protections (truth in lending; bankruptcy proceedings; statutes of limits; the right to refinance; adherence to usury laws; and, Fair Debt & Collection practices, etc.), the government and lenders (banks) make more money in interest and particularly, in fees, if the student defaults on the loan, so there is a greater financial incentive/motive for the government & banks to NOT help the student avoid default.

Therefore, seeing the crisis as outlined in this research paper, I would call upon Federal Lawmakers to pass legislation to:

\*\* -A- \*\* Prevent *any more* tax dollars[Figure-2] from going to Higher-Ed (be they grants(\*) or loans -State or Federal tax dollars)

(\*) *NOTE: Gordon Wayne Watts, the author of this Position Paper, has reconsidered his view of elimination of grant monies, funded by taxpayer dollars, and now would support limited\* grant monies to offset the very large loss if Federal Law prohibited the government from making or guaranteeing loans. Liberals are partly right on this point: The money to run institutions of Higher Education must come from somewhere. However, the use of \*any\* grant monies must be conditioned upon the frugal use of said tax dollars, which, in plain English, to conservatives like Mr. Watts, means that these institutions can not use monopoly-style collusion and, in the case of State Colleges, can not impose an excessive tax (tuition is a form of tax, as it flows to an arm of the government, State Colleges), \*and\* must exercise personal responsibility and must neither spend lavishly, nor succumb to the pressures to distort the market, by charging an artificially inflated high tuition, should grant and/or loan monies become available. Only then, if responsible spending practices were adhered to would Mr. Watts be OK with use of taxpayer-funded grants to replace or offset losses if and when loans are discontinued or sharply curtailed.*

-- As in housing, this influx has distorted the market, resulting in higher tuition. Taxpayers get raped twice by bailing-out[Figure-3] Higher-Ed:

\* -1- \* Once because it inflates tuition by enabling colleges' 'addiction' to tax-dollars.

\* -2- \* Secondly, this 'addiction' is enabled by your tax dollars[Figure-2] -it costs you.

\*\* -B- \*\* Grant immediate forgiveness[14,28,36] to all unpaid student loans -and reset the debt to require students to owe only the free-market value of their education[Figure-1] (or, up to perhaps twice the Free Market value -but no more), not the exorbitant prices[36] they were price-gouged through the monopoly-style collusion of the institutions of Higher-Ed & lenders/banks with the Federal Government.

\*\* -C- \*\* Although government regulation of tuition (e.g., a "Tuition Freeze") would normally be "Big Government Interference," and thus liberal, there is precedent that "Utility Ratemaking" would be appropriate to control (by regulation) the costs of tuition, as is done with other industries classified as public utilities. Higher Education, legally, and by the definition, constitutes a public utility since such businesses constitute a de facto monopoly for the services they provide within a particular jurisdiction. Since a monopoly exists when a specific person or enterprise is the only supplier of a particular commodity, it can be argued that colleges are an enterprise, or group of businesses that have sole access to a market of higher education, as they are the only supplier of a college degree, and are thus comparable to the monopoly of a group electric companies, who are the sole supplier of electricity, and thus subject to government regulation of rates. While this approach is used successfully in many other industries where a monopoly would otherwise threaten the consumer, it is "liberal," and can not work in isolation, and thus, the other solutions outlined in this essay must also be employed in order to save the quickly-sinking Higher Education industry in The United States.

\*\* -D- \*\* Other countries, such as Germany, have colleges that charge a student based on what they earn after they graduate, either via a voluntary contractual

United States. Currently, their research agenda includes the following areas: **Student Financial Aid Policy; Rising Costs of College; Causes of Higher Education Inefficiencies; Productivity of Staff and Faculty Members; For-Profit Higher Education; and, Accreditation** Old Blog:  
[CollegeAffordability.Blogspot.com](#)

\* [Other Resources: below](#)\*

agreement known as a 'Tuition Contract' or by involuntary regulation of fees by the government.[40] This method offers an incentive to colleges and universities, to provide a quality education, sufficient to enable their students to get a decent job.

\*\* -E- \*\* [{"(SAVING THE BEST FOR LAST)}] However, since most Lawmakers are cowards, and don't have the 'guts' to do A, B, C, or D, then here's an alternative: Return that standard consumer protections to Student Loans (truth in lending; bankruptcy proceedings; statutes of limits; the right to refinance; adherence to usury laws; and, Fair Debt & Collection practices, etc.) -that were recently removed.[12-14] WHY? Because, if Colleges/Universities knew that students could declare bankruptcy, they'd be more apt to charge a fair, free-market value for their product -instead of continued indentured servitude slavery debt[26-27,38] for life -and, of course, this would afford life-saving relief to ALL students, past, present, and future -and set free a whole new generation of slaves: Debt Slaves.[26-27,38]

If these five requirements were made Federal Law[34], then institutions of Higher-Ed, like Wal-Marts, MacDonald's, and K-Marts, could experience the free market pressures to offer a higher quality -not a propped up house of cards -which has been the source of the problems thus far. (And, yes: Just like the 'Housing' bubble burst, the 'Education' and 'Healthcare' bubbles will burst too if major changes are not made -and the economy \*will\* crash.) These universities & banks know students must go to college to even have a 'chance' at a job in this economy, so big banks & liberal colleges have a 'captive audience': Their targeting of students is like 'shooting fish in a barrel': These students don't stand a chance when tuition rates are obscenely exorbitant. **Students are told from their youth[35] that they need an education to compete in today's world; let's not punish them for doing what is right.**

However, any Congressman/Congresswoman or Senator unwilling to pass these basic consumer protections for Student Loans is suspect for influence from huge campaign contributions by banks and bankers, unwilling to give up the 'mobster-like' protection from a student's ability to declare bankruptcy. Just remember one thing: "Follow the money."

*Gordon Wayne Watts received a Bachelor's degree from The Florida State University with a double major in Biological and Chemical Sciences with honors and was the valedictorian from United Electronics Institute. Watts, a non-lawyer, is best known for his lawsuit on behalf of Terri Schiavo[29], which lost 4-3 in the Florida Supreme Court, arguably doing better than even then Governor Jeb Bush's similar suit[30] (lost: 7-0) or Terri Schiavo's own family's federal case[31] (lost: 2-1). Mr. Watts, who ran unsuccessfully for Dist. 64 Fla. House of Representatives[32], is a part-time political activist while he searches for a full-time job in his field.*

## **One-Stop 'Resources' section:**

\*\* [Read this first:](#)  
\* ["Why College Prices Keep Rising"](#)


**Selected ADVOCACY: part 2**

\*\*\* **"Student Loan Justice" web-ring:**

\* Nationally-recognised College Loan advocate, Alan M. Collinge, has been featured in many papers, TV, and Cable networks. [Google him](#) if you doubt.

- \* <http://StudentLoanJustice.org> (Official page)
- \* <https://twitter.com/AlanSLJ> (Regularly-updated Twitter feed)
- \* <https://m.facebook.com/groups/SLJGroup> (Facebook group for Mobile devices/iPhones)
- \* <https://facebook.com/groups/SLJGroup> (Facebook group)
- \* <https://www.youtube.com/user/StudentLoanJustice> (YouTube channel)
- \* (See also) [\(YouTube video listing\)](#)

He is also [the author of](#) the ground-breaking exposé, "[THE STUDENT LOAN SCAM: The Most Oppressive Debt in U.S. History—and How We Can Fight Back](#)", available at all major book sellers, and available in both paperback (ISBN-13: 978-0-8070-4231-1) and hardback (ISBN-13: 978-0-8070-4229-8) versions, such as the [\[Paperback\] version on AMAZON \(here\)](#) or [\[Hardcover\] version on AMAZON \(here\)](#), or even the [KINDLE version \(here\)](#).

\*  This just in-Lawsuit research- VERY IMPORTANT:  
[\(Microsoft Word \\*.doc version\)](#)  
[\(PDF \\*.pdf version, more stable\)](#)

*Selected Wikipedia Articles*

- \* [College Tuition in the United States](#)
- \* [Higher education bubble](#)
- \* [Student debt](#)
- \* [Tuition freeze](#)

[Click here to get back to top](#)

- \* [SubPrimeJD.Blogspot.com](#) (A blog dedicated to exposing the law school & higher education scam, the 'Ponzi-like' structure of the US economy and in opposition to the US war machine.)
- \* [TemporaryAttorney.Blogspot.com](#) (With over 5,000 daily visitors, help expose the nasty sweatshops, swindling law schools, and opportunistic staffing agencies.)
- \* [ThirdTierReality.Blogspot.com](#) (Blog's goal is to inform potential law school students & applicants of the ugly realities of attending law school.)

**MARK KANTROWITZ, nationally recognised Higher-Ed expert (Web Ring)**

- \* [Kantrowitz.com \(main site\)](#)
- \* [Kantrowitz.com \(about Mark\)](#)
- \* [FastWeb.com \(main site\)](#)
- \* [FastWeb.com \(about Mark\)](#)
- \* [\(FastWeb' Facebook page\)](#)
- \* [FinAid \(main site\)](#)
- \* [FinAid \(about Mark\)](#)
- \* [\(FinAid' & Personal Facebook page\)](#)
- \* [Mark's Twitter account](#)
- \* [\(Kantrowitz on NY Times\)](#)
- \* [\(O & A on NY Times\)](#)
- \* [\(Kantrowitz on Stetson Law\)](#)
- \* [\(Kantrowitz on Huffington Post\)](#)
- \* [\(Kantrowitz on CollegeGold.com\)](#)
- \* [\(Kantrowitz on Amazon.com\)](#)
- \* ["Causes of faster-than-inflation increases in college tuition"](#) (Tuition Analysis paper)
- \* [Bankruptcy and Eligibility for Financial Aid](#) (Bankruptcy article)
- \* ["Student Loan Bankruptcy Exception"](#) (an article showing the timeline for the change in laws making it next to impossible to discharge Student Loans in bankruptcy proceedings)

*(Tuesday, 28 June 2011) UPDATE:*

Since publication of this research paper, I have spoken with my congressman, U.S. Rep. Dennis A. Ross (R-Fla.-12), and the outcome has been nothing less than incredible. First, I sent him an email[37], to which he responded. I tried to email him through AOL, but he deleted my email [link: [copy a](#) or [copy b](#)] probably because it had an email attachment --and he was being careful to avoid a computer virus. However, notice that link: When I resent my email, this time without any attachment [link: [copy a](#) or [copy b](#)], he still deleted it too. Huh? So, when I found out new information on the legislation, I emailed him through Facebook again[37]. If you will notice, in his reply, Rep. Ross claimed that: "Allowing discharge in bankruptcy for student loans would cause a sharp decline in availability of loans," however this is patently false: As [this expert](#) has said ([\(cache: link 'a'\)](#) or [\(cache: link 'b'\)](#)), "This report demonstrates only a slight increase in the availability of private student loans to borrowers with low credit scores after BAPCPA made such loans non-dischargeable [in bankruptcy proceedings]," so, if consumer protections (like truth in lending; bankruptcy proceedings; statutes of limits; the right to refinance; adherence to usury laws; and, Fair Debt & Collection practices, etc.) were restored to Student Loans, then there would probably only be a slight \*decrease\* in the availability of private student loans --those not made or guaranteed by the Federal Government (since banks would be unwilling to lend to a small number of people who could not afford to pay back --but that would be a good thing: They don't need to be borrowing anyhow). --Source: *Student Aid Policy Analysis: Impact of the Bankruptcy Exception for Private Student Loans on Private Student Loan Availability*, by: Mark Kantrowitz, Publisher,

### ALL known Active Petitions Websites

- \* [Causes.com](#) (Education)
- \* [Change.org](#): (search on 'tuition')
- \* [SignOn.org](#): (Input 'tuition' and click the search icon)
- \* [WhiteHouse.gov](#): (click 'Filter by Issue' and select 'Education' and then click 'Filter Petitions')

Mon. 09-16-2013 - Special to *The Register*: [Crippling debts make it difficult for graduates to achieve dreams](#)

### ALL known Active Petitions / Campaigns

- \* [Returning Bankruptcy Protections](#)
- \* [The 'Million Signature' petition](#)
- \* [Economic Stimulus: Forgive Debt](#)
- \* ['Lower Interest Rate'](#)
- \* ["No-Cuts/No-Compromises" petition](#) (OccupyColleges.org)
- \* [Current Campaigns](#) (PHENOM: A Massachusetts public higher education advocacy group)
- \* ["Forgive Student Debt!"](#) (StudentLabor.org)
- \* [hr4170.com](#) (Petition to pass this bill, H.R.4170 - The Student Loan Forgiveness Act of 2012)

### ALL known ADVOCACY

- \* ["10 Leaders Who Are Fighting For Student Loan Reform"](#)
- \* [AgingWithStudentDebt.org](#)
- \* [AllEducationMatters.Blogspot.com](#)
- \* [DEFAULT: the student loan documentary](#)
- \* [EduBubble.com/dpp](#) (A redirect from: [EduBubble.com](#)) A site about the book: *Beating the College Bubble*, which provides both a free down-loadable version as well as a print version for a fee.
- \* [EducationBubbleAndScamReport.com](#)
- \* [EducationStormfront.Wordpress.com](#)
- \* [EduDebtorsUnion.org](#) (Blog)
- \* [Equal Justice Works](#) (at: UsNews.com)
- \* [ForgiveStudentLoanDebt.com](#)
- \* [HigherEdBubble.Wordpress.com](#)
- \* [LawSchoolTuitionBubble.Wordpress.com](#) (Research & commentary on the Law School Tuition Bubble.)
- \* [OccupyColleges.org](#)
- \* ["Occupy Education"](#) (more orientated to Public Schools, than Higher Ed)
- \* [OccupyGraduation.org](#)
- \* [OccupyStudentDebt.com](#)
- \* [OccupyStudentDebtCampaign.org](#)
- \* [OpenYourEducatedEyes.Blogspot.com](#) (Educating the education consumer and challenging the argument that tuition is sky high due to the "free market.")
- \* [ORcore.org](#) (Oregon Higher-Ed advocacy group)
- \* [PhenomOnline.com](#) (A Massachusetts public higher education advocacy group)
- \* [ProgressiveParty.org](#) (VT advocacy group's 'Education' section)
- \* [ProjectOnStudentDebt.org](#)
- \* [ScholasticSnakeOil.Blogspot.com](#)
- \* [ScrewSallieMae.com](#)
- \* [StudentDebtCrisis.org](#)
- \* [StudentDebtEmergency.Blogspot.com](#)
- \* [StudentDebtWar.org](#)
- \* [StudentLabor.org](#)
- \* [StudentLoanHorror.Tumblr.com](#) (The YOUNG INVINCIBLES: with Student Loan Servicing Horror Stories)
- \* [StudentLoanJustice.org](#)
- \* [Student Loan Ranger](#) (at: EqualJusticeWorks.org)
- \* [Student Loan Ranger](#) (at: UsNews.com)

### Selected News Articles

- \* ["When Will the Education Bubble Explode?"](#) (Forbes.com)
- \* ["Can We Prevent An Education Bubble?"](#) (Forbes.com)
- \* ["Why College Prices Keep Rising"](#) (Forbes.com)
- \* ["College Costs Too Much Because Faculty Lack Power"](#) (Chronicle.com)
- \* ["College Student Leaders Occupy Sallie Mae"](#). American Federation of Teachers (AFT.org)
- \* [AmericanProgress.org article on Student Loan interest rates](#)
- \* [Latinos Double Reliance on Student Loans](#) (MyCuentaMe.org)
- \* [Faces of Debt, a Photobooth for Student Debtors](#) (EduDebtorsUnion.org)
- \* ["America's Youth Saddled with Highest Ever Student Debt"](#) (EdTrust.org)
- \* ["Who is Professor Staff?": The Rise of a Low-Wage, High-Tuition Model of Higher Education](#) (SEIU.org)
- \* ["Student Debt Jubilee & Why Higher Education Ought to be Free"](#) (BackboneCampaign.org)
- \* ["Tomorrow is IT Day - Break the Link Between Wall Street and Education: Abolish Student Debt!"](#) (OccupyWallSt.org)
- \* ["WTF: Where's The Funding?!"](#) (StudentLabor.org)
- \* [H.R.4170- Student Loan Forgiveness Act of 2012](#) (OpenCongress.org)
- \* [Students To Congress: Don't Double Student Debt Rates](#) (USPIRG.org)
- \* ["Young Americans Are Under Siege"](#) (RainbowPush.org commentary about rising tuition)
- \* ["Student debt a growing burden"](#) (RebuildTheDream.com)
- \* ["STUDENT LOAN DEBT LEADS TO DESPAIR, PROTESTS -- AND DEFAULTS"](#) (RooseveltInstitute.org)
- \* ["Student Loan Debt Leads to Despair -- and Defaults"](#) (Bloomberg.com)
- \* ["Peter Thiel: We're in a Bubble and It's Not the Internet. It's Higher Education."](#) (TechCrunch.com)
- \* ["Why the Education Bubble Will Be Worse Than the Housing Bubble"](#) (UsNews.com opin piece, arguing that the government shouldnt subsidize higher education)
- \* [Google.com books search](#) (Going Broke by Degree: Why College Costs Too Much)
- \* [Google.com books search](#) (College Costs Too Much Because Faculty Lack Power)
- \* [OccupyGraduation.org's Student-debt-crisis Fact Sheet](#) (OccupyGraduation.org)

### ALL known INFO websites

- \* [BestCollegesOnline.com](#) (Collage ranking and informational site)
- \*\* ["Financial Aid Made Easy"](#) (BestCollegesOnline.com)
- \*\* [\(BestCollegesOnline.com on FACEBOOK\)](#)
- \*\* [\(BestCollegesOnline.com on TWITTER\)](#)
- \* [http://CenterForCollegeAffordability.org](#) (Founded in 2006, The Center for College Affordability and Productivity (CCAP) is an independent, not-for-profit research center based in Washington, DC. The CCAP exists to help facilitate a broader dialogue on the issues and problems facing the institutes of higher education in the United States. Currently, their research agenda includes the following areas: **Student Financial Aid Policy; Rising Costs of College; Causes of Higher Education Inefficiencies; Productivity of Staff and Faculty Members; For-Profit Higher Education; and, Accreditation** Old Blog: [CollegeAffordability.Blogspot.com](#))
- \* [ConsumerFinance.gov](#) (Know Before You Owe: Student Loans)
- \* [Ed.gov](#) (U.S. Dept. of Education)
- \* [EduBubble.com/dpp](#) (A redirect from: [EduBubble.com](#)) A site about the book: *Beating the College Bubble*, which provides both a free down-

FinAid.org, August 14, 2007 -- Furthermore, as I had pointed out in my last reply to Congressman Dennis Ross, credit card loans are typically on the same terms (interest, payment options, fees, etc.) as these private loans, and yet credit card loans have continued unabated -and that even someone with bad credit can find a lender. Besides 'private' loans, due to the recent changes in law, the Federal Government also now lends directly to students for Student Loans, so no 'sharp decline' in loans would result; furthermore, the Congressman was wrong to oppose H.R. 5043 on these grounds, as it only returned standard consumer protections to private, not federal, loans. Lastly, as I pointed out (and the Congressman has NOT rebutted or answered me on this point), it would probably be a \*good\* thing for there to be a "sharp decline" in Student Loans: This is the way it was in the 1950's, where there was little or *no* loans, grants, or other 'student aid' for college education: Colleges knew they could not overcharge students, and college administrators learned to live within their means --and, guess what: American colleges were the best in the world, so they did not need to overcharge students like they are doing today.

Besides being factually wrong on a number of points, the Congressman engaged in a bit of bizarre behaviour: Besides deleting my email without reading it --twice [[link: copy a or copy b](#)], and blocking me from his Facebook for no apparent reason [[link: copy a or copy b](#)], he was rather rude and repeatedly evaded answering a question that two (2) of his constituents posed to him: [[link: copy a or copy b](#)] on his 'Politician' page.

In all fairness to the Congressman, he only blocked me from his personal Facebook page, not his 'Politician' one; nonetheless, he seems to discuss politics with his constituents much less on his politician page, and as I've done nothing to provoke or insult him (other than express my views, and politely ask for representation), his reactions and odd behaviour are unwarranted --and actually a bit bizarre. -- It makes me think that he is being paid off by big banks who want protection from the Free Market pressures of failure (aka a 'bailout' from having borrowers be able to file bankruptcy) that would result if the standard consumer protections for Student Loans (truth in lending; bankruptcy proceedings; statutes of limits; the right to refinance; adherence to usury laws; and, Fair Debt & Collection practices, etc.) were returned to Student Loans --as the law was in the past. -- Since all other loans have standard consumer protections, young, vulnerable college students should not be deprived either. This is doubly true now that college tuition is skyrocketing to obscenely high levels --even as a quality of education continues to plummet --and other nations continue to outperform us in math and the sciences. So, we see that this influx of Federal 'student aid' has actually made things worse. Why then do supposedly 'conservative' Congressman like Rep. Ross, continue to interject Big Government into Higher Education when: (- a-) it goes against their 'Smaller Government' mantra; and, (-b-) It has been proven to NOT work?

(Friday, 01 July 2011) **UPDATE:**

- \* [TheNation.com](#) (Misc. students' rights issues)
- \* [The Register](#) (GoDaddy mirror)
- \* [The Register](#) (HostGator mirror)
- \* [The Register](#) (Lycos/Tripod mirror)
- \* [ThirstForJustice.net](#)
- \* [Ticas.org \(The Institute for College Access & Success\)](#) (Advocacy group Working to make higher education more available and affordable for people of all backgrounds
- \* [" U.S. PIRG "](#)
- \* [USstudents.org](#)
- \* [YdsUSA.org \(Young Democratic Socialists: USA\)](#) An activist group that, among other things, campaigns for accessible & affordable Higher Education. According to their website, "Democratic Socialists" believe that both the economy and society should be run democratically—to meet public needs and not to make profits for an elite few. (*Editor's Note: Although they call themselves 'Socialists,' they are surprisingly conservative in fiscal areas, since their support for bankruptcy protections for student loans is a Free Market check against predatory loan abuse, and their support for accessible & affordable Higher Education and, apparently, also, fair disclosure of loan terms is conservative in the sense of 'moral rights and wrongs.' Thier support for abortion, however, is not shared by The Register, nor its staff & publishers -except in cases of legitimate 'self-defense,' where a mother's life in an jeopardy.*)

**New:** ALL known [LAW School abuse blogs](#)

- \* [AttorneyToTemp.Blogspot.com](#) (Story of a former practicing attorney who regrets giving so many years of life to the legal profession, and so many hard-earned dollars to repay law school debt, along with some tips for finding non-legal work, and for repaying your student loans.)
- \* [BitterLawyer.com](#)
- \* [ButIDidEverythingRightOrSoIThought.Blogspot.com](#) (Blog of a disenchanted lawyer.)
- \* [ClassBias.Blogspot.com](#) (This blog is devoted to discussion of class bias in higher education. My specific interest is in legal education where most law professors are supplied by a small number of elite schools. I am interested in the manifestations of this bias and solutions. My experience is that the bias affects everything from hiring to acceptable forms of dress and discourse. The dominant characteristic of those in power is a "sense of entitlement.")
- \* [DupedNonTraditional.Blogspot.com](#) (Super-Duper: The Non-traditional Law Student Confidence Game)
- \* [EsqNever.Blogspot.com](#) (Sharing a quest to find a successful career in another field while also trying to expose the law school scam.)
- \* [FirstTierToilet.Blogspot.com](#) (Just Another Blog by an Indignant Graduate for Indignant Graduates. Includes the "Law School Scam Blog Roll.")
- \* [FlusterCucked.Blogspot.com](#) (Insights, snide comments, and news about the value of higher education, the perils of going to law school, and America's race to the bottom.)
- \* [ForgottenAttorney.Wordpress.com](#) (A voice among the silent majority of young attorneys.)
- \* [InsideTheLawSchoolScam.Blogspot.com](#)
- \* [LawSchoolTuitionBubble.Wordpress.com](#) (Research & commentary on the Law School Tuition Bubble.)
- \* [LifesMockery.Wordpress.com](#) (Author is a "law school victim.")
- \* [OutsideLiesMagic.Blogspot.com](#) (Law School Graduate who finds himself marginally attached and awash in a sea of overeducated but underpaid, indentured peers who feel, and were, duped by the promise of a better life through debt and the modern chemistry of The Law School Industrial Complex, a scam that has destroyed a generation out of greed.)
- \* [PoetryForPants.Blogspot.com](#) (Tales of a Fourth-Tier Nothing: A blog on the legal profession.)
- \* [PresTTTigious.Blogspot.com](#) (The Pres TTTigious Legal "Profession": A blog about the country's most miserable "profession," law. – About Me:

loadable version as well as a print version for a fee.

- \* [EducationNews.org](#)
- \* [EducationSector.org](#)
- \* [FastWeb.com](#)
- \* [FinAid.org](#)
- \* [FrugalDad.com \(COLLEGE ISN'T CHEAP - with graphic\)](#)
- \* (Provided to *The Register* by Kimberly Hayes and archived below in case link above goes down)
- \* COLLEGE ISN'T CHEAP - graphic: [Mirror 1](#) [Mirror 2](#) [Mirror 3](#)
- \* Kimberly's grant of permission -and covered by both Fair Use & Creative Common's license: [Mirror 1](#) [Mirror 2](#) [Mirror 3](#)
- \* [LawSchoolTuitionBubble.Wordpress.com](#) (Research & commentary on the Law School Tuition Bubble.)
- \* Maxine T. Wells has submitted the infographic linked here & below: [Consolidated Credit Update: A Generational Approach of COLLEGE STUDENT DEBT in America](#) and cached at: \*\*\* [Mirror 1](#); \*\*\* [Mirror 2](#); \*\*\* [Mirror 3](#) - Courtesy of: [Maxine T. Wells \(@MaxineTWells\)](#), Mother, Financial Planner, Writer; ([on Google+](#)); ([on MedHelp](#)); ([on Family Education](#)); and author of: [Is A Degree Worth It Anymore?](#), which also features this graphic, and is posted on: [Grand Rapids Area Professionals for Excellence \(GRAPE\)](#), a nonprofit organization with more than 600 active members who attend monthly events, which provide learning opportunities, collaboration and networking for Grand Rapids professionals.
- \* [OnlineSchools.org \(Drowning in Debt - graphic\)](#)
- \* (Provided to *The Register* by Estelle Shumann and archived below in case link above goes down)
- \* Drowning in Debt - graphic: [Mirror 1](#) [Mirror 2](#) [Mirror 3](#)
- \* Estelle's grant of permission -and covered by both Fair Use & Creative Common's license: [Mirror 1](#) [Mirror 2](#) [Mirror 3](#)
- \* [OpenSource.com \(Infographic Education Bubble: Part 1\)](#)
- \* [OpenSource.com \(Infographic Education Bubble: Part 2\)](#)
- \* (Available to *The Register* by CREATIVE COMMONS license: Attribution-NonCommercial-NoDerivs; CC BY-NC-ND; "This license is the most restrictive of our six main licenses, only allowing others to download your works and share them with others as long as they credit you, but they can't change them in any way or use them commercially" (credit in link above) and archived below in case their link goes down)
- \* THE Higher Education Bubble: Part One of Two - graphic: [Mirror 1](#) [Mirror 2](#) [Mirror 3](#)
- \* THE Higher Education Bubble: Part Two of Two - graphic: [Mirror 1](#) [Mirror 2](#) [Mirror 3](#)
- \* CREATIVE COMMONS' grant of permission: [Mirror 1](#) [Mirror 2](#) [Mirror 3](#)
- \* [PersonallLoans.org](#) (Main Website)
- \* [PersonallLoans.org \(Leveraging Technology To Manage Your Debt\)](#)
- \* [PersonallLoans.org \(What Every Student Must Know About Student Loans\)](#)
- \* [Pbs.org \(Frontline: College Inc.\)](#)
- \* [QuickAndEd.com](#) (The QUICK & the ED)
- \* [RangerSelfDefense.com](#) (Self-defense website of Ed Caldwell, the webmaster of EducationBubbleAndScamReport.com; Note: Ed's website is not the same as that of the 'Student Loan Ranger,' which has a similar

To his credit, Rep. Dennis A. Ross (R-Fla.12), has addressed a few of the complaints of banning people from his 'Politician' page [[link: copy a or copy b](#)], but, as yet, has refused to address MANY other concerns, and one reply that he eventually made was just a little bit weird: [[link: copy a or copy b](#)] --still, a bit bizarre, if you ask me: He is our elected representative. Lastly, since he's not only removed me from his regular Facebook (<http://Facebook.com/RepDennisRoss>), but also BLOCKED me from even seeing his Facebook Wall: [[link: copy a or copy b](#)] --and were it not for a good friend letting me look at his Facebook [[link: copy a or copy b](#)], I would not even have seen the Public Education post. I bet Rep. Ross was not expecting this, but I 're-posted' his link from his personal Facebook to his 'Politician' Facebook fan page.

If college student suicides due to Student Loan defaults has seen a dramatic rise[15-18;36], as I've previously documented, then this problem is real, not just a financial problem 'on paper': I hope my Congressman starts caring about his constituents & voters and responding by both replying AND introducing bills that will solve these problems, but as yet, his behaviour is a bit unresponsive and on occasion a bit bizarre.

**UPDATE: (Thr. 24 Jan. 2013)** -- As of Wednesday, 23 January 2013, I am 'unblocked' and now able to post on Ross' Facebook page. Also, oddly-enough, a letter to the editor of a local paper published only about 12 hours after Ross' staff unblocked me, but this appears to be an unrelated coincidence, since Ross' office could not have reacted to the letter before it had published. More details on: <http://www.GordonWatts.com/Twittergate.html> or: <http://www.GordonWayneWatts.com/Twittergate.html>. -- End of update

"*Insanity*" is doing the same thing (socialist government involvement into higher-ed, & removal of Free-Market checks, like standard consumer protections on Student Loans), and expecting a different result. Either our Representatives & Senators are '*insane*' --or being bought off by Big Banks --or both?

PresTTTige – “There aren't many degrees literally worth less than the paper they're printed on. My J.D. is one.”)

\* [RoseColoredGlassesJD.Blogspot.com](http://RoseColoredGlassesJD.Blogspot.com) (Rose, Esq.: Spreading the anti-lawschool gospel.)

URL)

\* [TheBubbleBubble.com](http://TheBubbleBubble.com) (College Bubble)

\* [USNews.com](http://USNews.com) (Education)

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## Why College Prices Keep Rising

By [Alan Michael Collinge](#), Special to *The Register* | September 16, 2012

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Guest Column  
Alan Collinge

For many years, it has been unknown to the general public that all of the major elements comprising the student lending system (i.e. lenders, collection companies, guarantors) made far more money when students defaulted on their loans. Nevertheless, this is a fact, and it is well documented. It is most disturbing, however, that recent analysis of the President's Budget data reveals that even the US Department of Education, on average, recovers \$1.22 for every dollar paid out in default claims. Assuming generous collection costs, and even allowing for a nominal time value of money of a few percent (the governments cost of money is very low), it still appears that the federal government, even, is making a pretty penny from defaults.

How could this be possible? The primary reason for this is that unlike all other types of debt, bankruptcy protections, statutes of limitations, and other standard consumer protections have been removed from federal student loans, and draconian collection powers have been given to collect on hugely inflated, defaulted student loan debt.

The systemic consequences of these types of financial motivations are too numerous to describe here, but one very significant result is that during the legislative process, when the schools, lenders, and their lobbyists pressure Congress to raise the allowable loan limits, the Department of Education—one of the only entities available to act in the interest of the students and call for a freezing (or even a reduction in the lending limits)—has repeatedly failed to tell it like it is regarding defaults. The schools and lenders point and brag about the low “cohort” default rates, but this metric (which hit a low of about 4% in 2005) masks the true default rate, which we now know was likely 25% or higher for years, and today is likely significantly higher than that.

Instead of voicing concern, or even objections to Congress in the lending limit debates, the Department of Education remained largely silent, despite their knowledge about the true default rate for years, and in fact, press releases about the default rate spanning years from the Department of Education speak exclusively of the cohort rate, and this continues to this day, by and large, although media have shed some light on the true default rate in recent years.

This, again, is a key failure in oversight that effectively causes Congress to make decisions without the interests of the borrowers being represented (Of course the lenders and schools claim to have the interests of the students at heart, but their obvious financial motivations discount their credibility on this claim). Therefore, Congress continues to rubber-stamp these legislative efforts, and the schools quickly raise their tuition to bump up against the new lending ceilings.

If the Department of Education were seeing a material, financial loss with loan defaults, they likely would be far more assertive about the reasons NOT to raise the loan limits...and this would provide a critical check on the process. But the Department has been largely absent from these debates, and its misaligned interest is certainly the reason why.

So it must be agreed that lack of Department oversight contributes directly to repeated votes by Congress to raise the loan limits, and we've already established the link between this poor oversight, and the removal of consumer protections. So undoubtedly, the removal of standard consumer protections has effectively allowed the schools and lenders to have their way with Congress on this issue.

Critics could argue that the established student advocacy groups should have stepped in to fill this role...and this is obviously true...but the advocates can claim that they did not know that defaults were as high as they were (recent evidence suggests that the true default rate exceeds 1 in 3), therefore any objections from them (assuming they did object) were not strong. Had they known that defaults were as high as they were, one can only assume that they would have objected far more forcefully, starting many years ago.

The current debate surrounding the cause of tuition inflation is a confusing mix of rhetoric that typically involves fingers pointing in all directions...“like a scarecrow in the wind”...among lenders, schools, the Department of Education, the student advocates, and Congress. But of these five entities, four were behaving as expected (i.e. schools pushing for raising the limits, advocates wringing their hands in the absence of defensible proof that things were going awry, lenders playing their part as the selfish, amoral entities they are understood to be, Congress debating what they are told, and ultimately voting based upon this debate).

The Department of Education, however, failed to fulfill its role, and did not disclose to the group the true magnitude of the default problem, as one would expect it to. Therefore the Department is clearly the party whose behavior can ultimately be questioned with strong justification. Of course citizens have every right to be seethingly resentful and angered by all of these actors failing to point out what was obvious...that the students were being saddled with outrageous increases in student loan debt (I believe the advocates bear a tremendous amount of responsibility, for example), but strictly speaking, the Department's failure is the only one with zero defense.

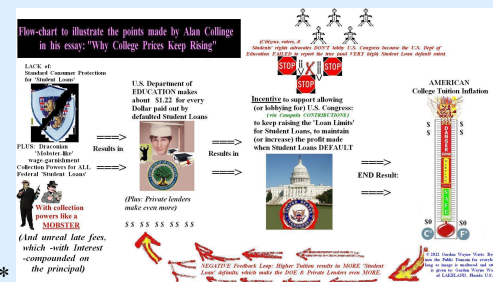
This is a critical, unambiguous link that is never pointed out, but which is key- the key- to explaining the rampant inflation we have seen in academia over the years. Congress and the president should be demanding to know why key personnel at the Department so badly neglected to fulfill their duties, and take a hard, hard look at the corporate culture that has enabled this sort of gross neglect of basic functions. And of course, the standard consumer protections that should have never been removed from student loans must be returned at the earliest possible opportunity.



The Register has provided [this handy little graphic 'flow-chart'](#) explanation of the predatory lending system, as described in Alan's op-ed, above.

Cross-posted on 4 mirrors:

- \* [Mirror 1](#)
- \* [Mirror 2](#)
- \* [Mirror 3](#)
- \* [Mirror 4](#)



\* [Click to enlarge](#)

For further information:

Cross-posted on 4 mirrors:

- \* [GordonWatts.com/Higher-Ed-Tuition-Costs.html](#)
- \* [GordonWayneWatts.com/Higher-Ed-Tuition-Costs.html](#)
- \* [ThirstForJustice.net/Higher-Ed-Tuition-Costs.html](#)
- \* [Gordon\\_Watts.Tripod.com/Higher-Ed-Tuition-Costs.html](#)

The Register Front-page news mirrors:

- \* [GordonWatts.com](#)
- \* [GordonWayneWatts.com](#)
- \* [Gordon\\_Watts.Tripod.com](#)
- \* [YouTube.com/GordonWayneWatts](#)
- \* [Facebook.com/GordonWayneWatts](#)

**Editor's Note:** You may keep up with Mr. Collinge and his Student Loan Justice group at the following links:

\*\*\* "Student Loan Justice" web-ring:

\* Nationally-recognized College Loan advocate, Alan M. Collinge, has been featured in many papers, TV, and Cable networks. [Google him](#) if you doubt.

- \* <http://StudentLoanJustice.org> (Official page)
- \* <https://twitter.com/AlanSLJ> (Regularly-updated Twitter feed)
- \* <https://m.facebook.com/groups/SLJGroup> (Facebook group for Mobile devices/iPhones)
- \* <https://facebook.com/groups/SLJGroup> (Facebook group)
- \* <https://www.youtube.com/user/StudentLoanJustice> (YouTube channel)
- \* (See also) [YouTube video listing](#)

He is also [the author of](#) the ground-breaking exposé, "[THE STUDENT LOAN SCAM: The Most Oppressive Debt in U.S. History—and How We Can Fight Back](#)", available at all major book sellers, and available in both paperback (ISBN-13: 978-0-8070-4231-1) and hardback (ISBN-13: 978-0-8070-4229-8) versions, such as the [Paperback version on AMAZON \(here\)](#) or [Hardcover version on AMAZON \(here\)](#), or even the [KINDLE version \(here\)](#).

Mr. Collinge, who was kind enough to [grant permission for reprint/republication of his Op-Ed](#), here, makes some very strong claims above, such as regarding the amount of profit that the U.S.

Department of Education makes on defaulted loans, but The Register has carefully researched his claims, and –so far as we can see–they are correct and can easily be documented by a routine web search on the subject. His op-ed originally appeared [here](#) on Forbes.com, on 03/19/2012, as a guest post in Peter J. Reilly's regular column, which focused on the tax issues of individuals, businesses, as well as related financial matters. Mr. Collinge was good enough to authorize The Register to re-publish and archive his fundamentally important analysis here, so long as it was unaltered and re-printed in its entirety -with no additions, subtractions, or alterations to the piece (other than, of course, style and formatting issues), and The Register felt that it would be a good precaution to archive this piece on multiple websites, not "putting all our eggs in one basket," since it is not a widely known fact that the lack of bankruptcy protections for Student Loans was a major factor in the meteoric 'tuition inflation' in recent decades, in spite of declining quality of America's standings in Higher Ed rankings in STEM (Science, Technology, Engineering, & Math). Mr. Collinge is the founder of [StudentLoanJustice.org](#), a Political Action Committee dedicated to the mission of changing unjust laws related to how student loans are handled. He is also the author of the ground-breaking exposé, linked above.

If Donald Trump (rich and conservative), Solyndra (rich and liberal), and ALL rich-&-powerful Wall-Street bankers can file for bankruptcy (and they don't even need it: they are rich), why not students? Read this -- re-read this -- and follow the links above.-Editor

PS - quote of the day: "The ability to file bankruptcies is the 'Economic Second Amendment,' and when colleges knew student loans were almost impossible to discharge in bankruptcy (due to the Brunner test), the colleges and lenders knew student borrowers of college loans were unable to defend themselves—and both parties engaged in Predatory Lending, victimising the helpless & defenseless college student borrowers with soaring & skyrocketing tuition—price-gouging them, like one shoots 'fish in a barrel'. For this reason, (conservative) supporters of the Second Amendment should not deny college students. Likewise, (liberal) supporters of helpless college students should be in agreement that student borrowers need the same protections as ALL OTHER borrowers—including Credit Card users and the "über-rich," all of whom can obtain bankruptcy discharge."

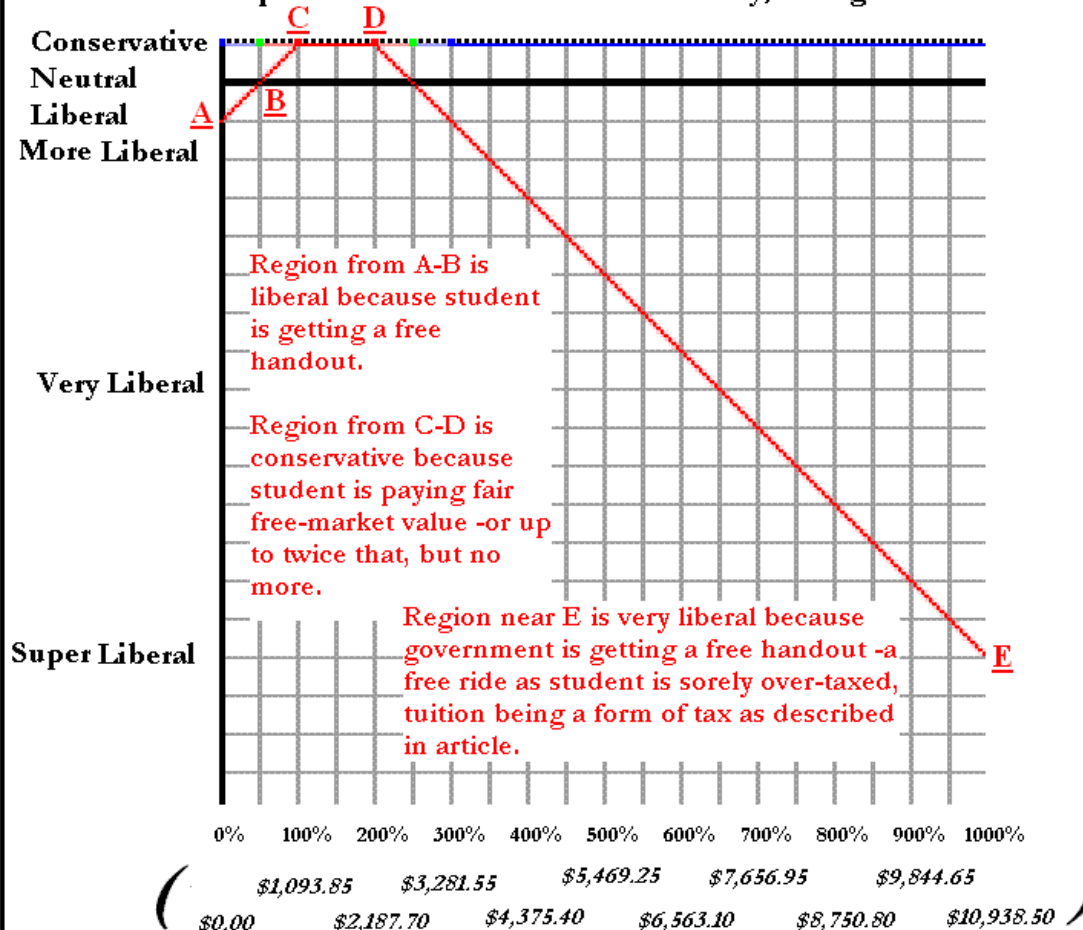
[Click here](#) to get back to top

**Figures 1-3 (Plus updated Figure 1):**



# Political Ideology :

as measured by how much tuition per school year respondent demands of each University/College student

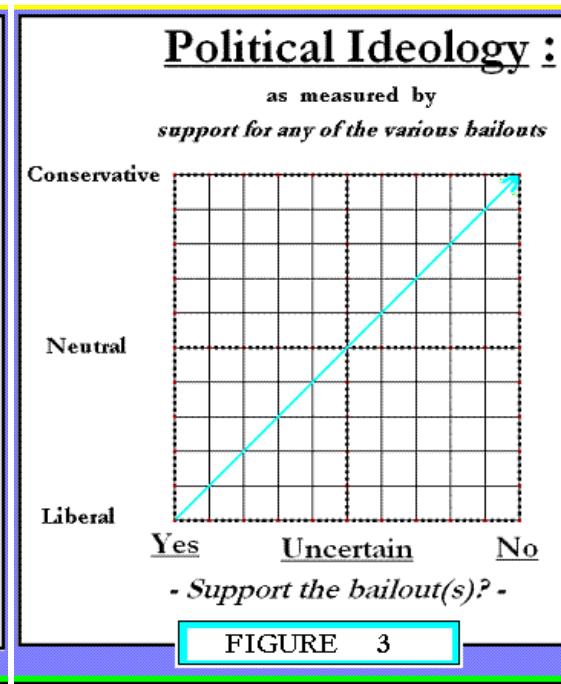
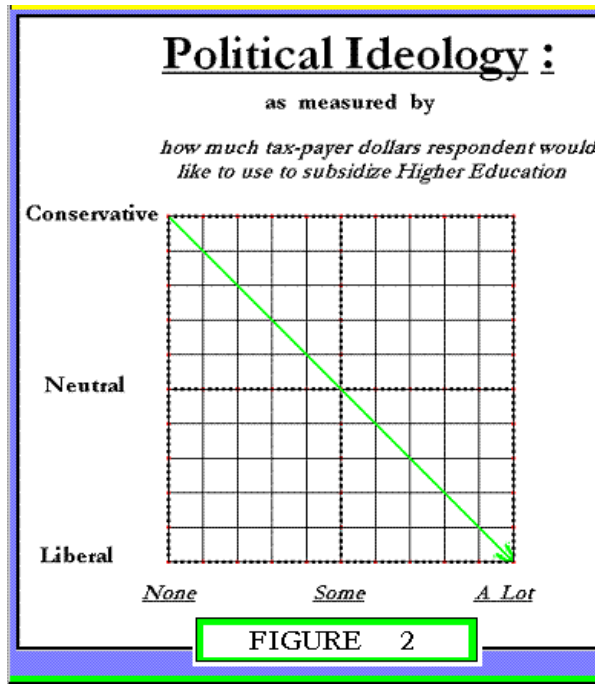


Percent of actual free-market value

(Amount in 2008/2009 U.S. Dollars)

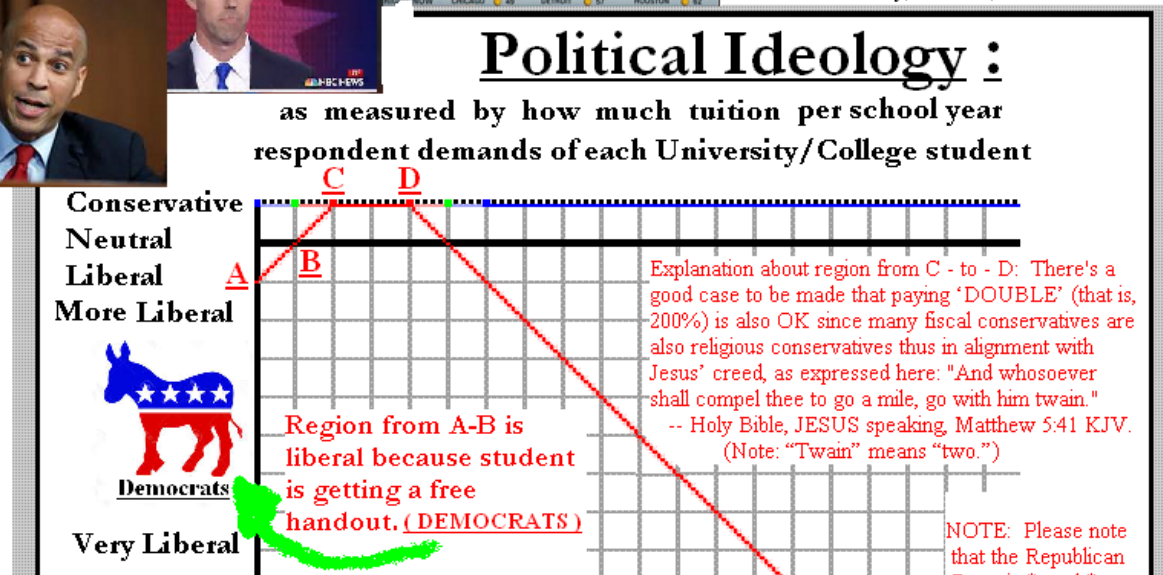
(Where \$1,093.85 is 100% of the free-market value of one school year of higher education as shown by the inflation-adjusted cost of tuition before government subsidies distorted the market -as described in the related article.)

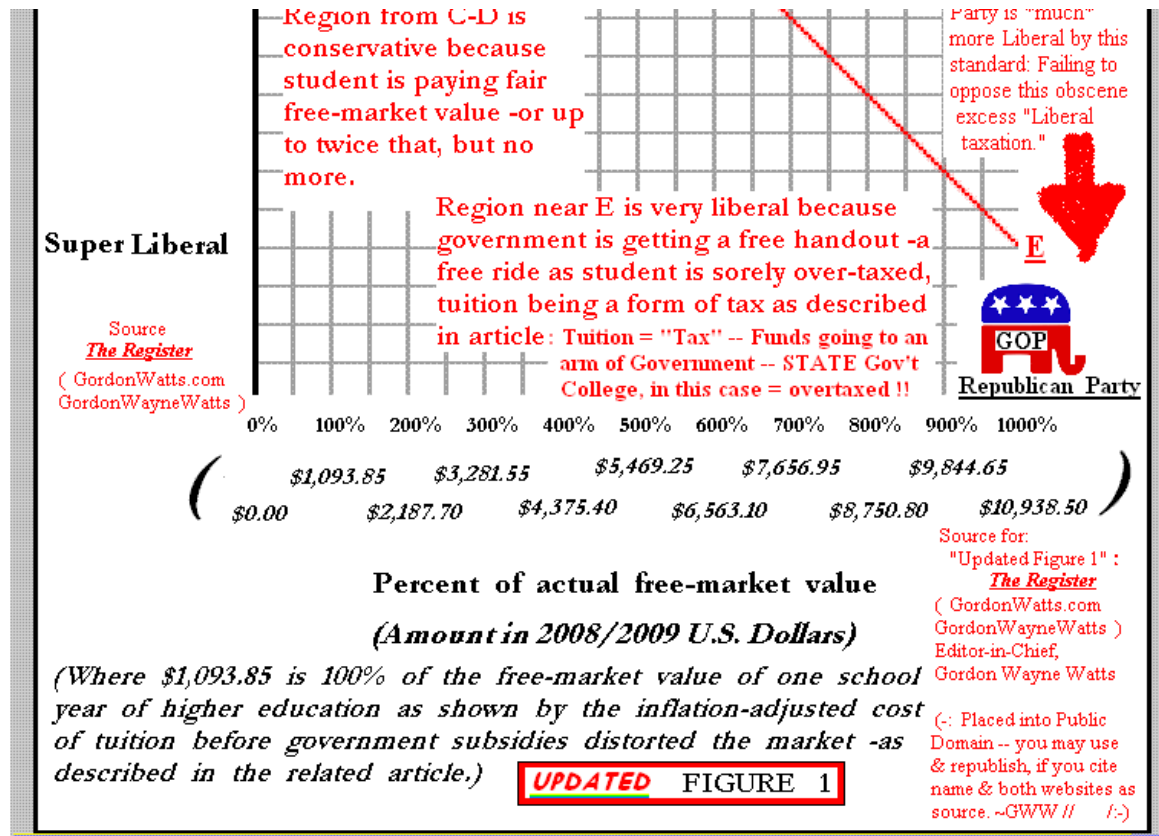
FIGURE 1



In THIS Complex (deep) MEME :

Notable Democratic U.S. Presidential candidates for the 2020 American presidential election cycle who support \*FUTURE\* "Free College," and/or \*PAST\* collegiate "Loan Forgiveness," and/or another unaffordable "Liberal Free Handout." --various low-quality images used under "Fair Use" for commentary, criticism, etc.





### Sources:

- [1] "Massive increases in higher-ed costs a mystery to be solved," Virgil Swing (DuluthNewsTribune.com), May 15, 2008, ([http://www.duluthnewstribune.com/event/search/of: "Virgil Swing: Massive increases in higher-ed costs"](http://www.duluthnewstribune.com/event/search/of:Virgil%20Swing:Massive%20increases%20in%20higher-ed%20costs)), \*\* <http://www.google.com/search?hl=en&q=%22Budgeteer+News%22+%22Virgil+Swing%22+2008+may+15&start=20&sa=N&filter=0>, \*\* [http://search.yahoo.com/search;\\_ylt=A0geu5Vnxr9KXSsBZFJXNyoA?p=%22Budgeteer+News%22+%22Virgil+Swing%22+2008+may+15&fi2=sb-top&fr=yfp-t-501&sao=0](http://search.yahoo.com/search;_ylt=A0geu5Vnxr9KXSsBZFJXNyoA?p=%22Budgeteer+News%22+%22Virgil+Swing%22+2008+may+15&fi2=sb-top&fr=yfp-t-501&sao=0), \*\* <http://gordonwaynewatts.com/FannyDeregulation/VirgilSwingArticle.JPG>, \*\* <http://gordonwatts.com/FannyDeregulation/VirgilSwingArticle.JPG>
- [2] "Student Aid and College Tuition: The Upward Spiral," by David W. Kirkpatrick, Nov 01, 2007 [http://www.schoolreport.com/schoolreport/articles/College\\_Tuition\\_11\\_07.htm](http://www.schoolreport.com/schoolreport/articles/College_Tuition_11_07.htm) states: "In my personal case, while a student at a public college in the 1950s, tuition was \$100 per semester. There was no aid but neither was there any debt at graduation."
- [3] "2008 inflation rate at 0.1%, slowest gain in 54 years for consumer prices" <http://www.usinflationcalculator.com/inflation-rates/2008-inflation-rate-at-01-slowest-gain-in-54-years-for-consumer-prices/1000357>
- [4] "Average college cost breaks \$30,000: Average for 4-year private school passes key mark; total costs for both public and private schools up well above inflation," Rob Kelley, Oct 27 2006, [http://money.cnn.com/2006/10/24/pf/college/college\\_costs/index.htm](http://money.cnn.com/2006/10/24/pf/college/college_costs/index.htm) states: "The average tuition at four-year public colleges and universities is \$5,836 for the 2006-07 school year... With room and board, four-year public colleges average \$12,796 for in-state residents." The \$5,836 figure for tuition would be either \$6,227.39 or \$6,057.77 in 2008, according to the WestEgg inflation calculator, depending on whether you use 2006 or 2007 as your initial year. The average of those two figures is \$6,142.58 for college tuition in 2008
- [5] "Preparing to Go to College," p4, [http://www.pearsonhighered.com/assets/hip/us/hip\\_us\\_pearsonhighered/samplechapter/0131716662.pdf](http://www.pearsonhighered.com/assets/hip/us/hip_us_pearsonhighered/samplechapter/0131716662.pdf) states: "According to The College Board, the average college housing costs in the 2004–2005 academic year were about \$6,222," which would be either \$7,036.63 or \$6,805.25 in 2008, according to the WestEgg inflation calculator, depending on whether you use 2004 or 2005 as your initial year. The average of those two figures is \$6,920.94 for college housing in 2008
- [6] Adding \$6,920.94 for housing & \$6,142.58 for tuition yields \$13,063.52
- [7] <http://www.westegg.com/inflation> conversion: "What cost \$138 in 1956 would cost \$1081.50 in 2008," & "What cost \$138 in 1957 would cost \$1043.92 in 2008," whose average is \$1,062.71
- [8] "Criminally insane, but out on the street?" (By NICHOLAS K. GERANIOS (AP) – Oct 17, 2009 - SPOKANE, Wash. (AP) -- "Phillip A. Paul in 1987 was declared criminally insane for killing an elderly woman after voices in his head told him she was a witch... He obtained several credit cards and went on shopping sprees that led to a bankruptcy filing."  
[http://hosted.ap.org/dynamic/stories/U/US\\_CRIMINALLY\\_INSANE?SITE=RIPRJ&SECTION=HOME&TEMPLATE=DEFAULT](http://hosted.ap.org/dynamic/stories/U/US_CRIMINALLY_INSANE?SITE=RIPRJ&SECTION=HOME&TEMPLATE=DEFAULT) ~

[http://www.google.com/hostednews/ap/article/ALeqM5gH6ObyOfjoqwCFxHJpNb067G\\_96gD9BD0N500](http://www.google.com/hostednews/ap/article/ALeqM5gH6ObyOfjoqwCFxHJpNb067G_96gD9BD0N500) ~ [http://www.msnbc.msn.com/id/33358068/ns/us\\_news-crime\\_and\\_courts](http://www.msnbc.msn.com/id/33358068/ns/us_news-crime_and_courts) ~ <http://www.kansascity.com/news/nation/story/1514284.html> [http://news.yahoo.com/s/ap/20091017/ap\\_on\\_re\\_us/us\\_criminally\\_insane/print](http://news.yahoo.com/s/ap/20091017/ap_on_re_us/us_criminally_insane/print)

[9] "25 Rich Athletes Who Went Broke" (BusinessPundit.com, May 18, 2009) "Scott Harrison. . . The pride of Scotland had problems with drinking, drugs and consequently the law. A world champion in 2003, Harrison's life later spun out of control. In 2006, he pulled out of a fight to check into rehab. By July 2007, the ever-classy Harrison declared bankruptcy after losing his last fight. . . over unpaid taxes."

<http://www.businesspundit.com/25-rich-athletes-who-went-broke>

[10] "STATEMENT OF THE NATIONAL MULTI HOUSING COUNCIL, et al.," (BEFORE THE U.S. HOUSE COMMITTEE ON JUDICIARY, MARCH 3, 2003) "A resident who was being evicted for selling drugs on the property declared bankruptcy." <http://www.nmhc.org/Content/ServeFile.cfm?FileID=3511>

[11] "Bankrupt: Maxed Out In America" (American RadioWorks, public radio, Saturday, April 22, 2006) "Over the past decade, 15 million people declared bankruptcy. That's better than double the figure from the previous decade." (No doubt, many criminally insane and/or drug users were among them, but students, trying to better themselves, are not permitted to file for bankruptcy when they get overwhelmed by debt, penalties, and compounding interest. See also, note: "36" below regarding the Bible standards on interest fees charges for loans.) <http://americanradioworks.publicradio.org/features/bankruptcy/transcript.html> ~ <http://www.accessmylibrary.com/article-1G1-144728950/radio-documentary-focus-bankruptcy.html>

[12] "Student Loans & Bankruptcy" (Student Loan Borrower Assistance Project, a program of the National Consumer Law Center) "Student loans are not usually discharged in bankruptcy. It is difficult, but not impossible, to do so if you can show that payment of the debt "will impose an undue hardship on you and your dependents." <http://www.studentloanborrowerassistance.org/bankruptcy>

[13] "Student Loans In Bankruptcy" (Lawyers.com) "Student loans are not dischargeable in bankruptcy unless you can show that your loan payment imposes an "undue hardship" on you, your family, and your dependents. Non-dischargeable debts are those debts that you cannot totally eliminate when you file for bankruptcy and will have to be paid by you. It is almost impossible to show an undue hardship unless you are physically unable to work and the chances of your obtaining any type of gainful employment in the future are non-existent." <http://bankruptcy.lawyers.com/Student-Loans-In-Bankruptcy.html>

[14] "Student Loan Bankruptcy Options" (MoneyZine.com)

"In the normal course of bankruptcy, student loans will not be discharged or forgiven. However, after the proceedings are over, an adversary proceeding can take place in bankruptcy court to decide if you meet all three of the hardship rules or tests. In this adversary proceeding, the student loan creditors will be present to challenge your hardship request. You must be able to satisfy all three of the following tests in the eyes of the court:

- If you were forced to repay the student loan, then you will not be able to maintain a minimal standard of living.
- You are able to present evidence that this financial hardship will continue for a significant period of time over the remaining term of the student loan.
- A good faith effort was made to repay your student loan before you filed for bankruptcy. Effectively this means you have been faithfully repaying your college loan for a minimum of five years.

If your loan is discharged, you will not have to repay the remainder of the money owed these creditors. However, you may have trouble getting a student loan of any kind in the future."

<http://www.money-zine.com/Financial-Planning/College-Loan/Student-Loan-Bankruptcy-Options> See also: <http://ForgiveStudentLoanDebt.com>

[15] "Crushing debt" (Chicago Sun-Times, BY DAVE NEWBART) September 24, 2007 "Jan Yoder was preparing for her son's funeral when the phone rang. It was another student loan collector wanting to know when her son would pay up. . . It was those calls and the burden of crushing debt, she says, that led her depressed son to take the drastic action of killing himself late last month. "When it gets to the point where people are fleeing the country, going off the grid or taking their own lives, you know something has gone horribly wrong," said Alan Collinge, founder of Student Loan Justice, which is pushing to change student lending laws." <http://www.ibhe.state.il.us/NewsDigest/NewsWeekly/092807.pdf> (Higher Ed NewsWeekly: from the Illinois Board of Higher Education, page 57) ~ <http://nalert.blogspot.com/2007/09/student-loan-debt-drives-man-to-suicide.html> (Newsalert) See also: <http://StudentLoanJustice.org>

[16] "I'm Thinking of Suicide Because of My Student Loans. - John" (GetOutOfDebt.org, undated news story) "Dear Steve, My student loans are almost \$42,000 dollars. I pay almost \$260 dollars per month and all but \$12 dollars is interest and the principal continues to go higher. . . I frequently think about suicide; thinking about my son is the only thing that has so far kept me from committing suicide. John"

<http://getoutofdebt.org/5493/im-thinking-of-suicide-because-of-my-student-loans-john> See also, note: "36" below regarding the Bible standards on interest fees charges for loans.

[17] "A Pastor's Student Loan Debt" (NPR, by Libby Lewis) July 14, 2007 "Dan Lozer's tiny paycheck means he'll be paying off those loans until 2029. . . Lozer said there was a time when he thought about suicide." <http://www.npr.org/templates/story/story.php?storyId=11980696>

[18] "Company's march toward student loan monopoly scary" (The News Tribune, By ALAN COLLINGE) 06/19/07 "In Boston; a medical student can't get licensed because he can't pay \$52,000 on what began as a \$3,000 debt. A suicide in Oregon. A suicide in Maryland. People who have fled the country due to the explosion of their student loan debt. The list goes on and on."

<http://www.thenewstribune.com/opinion/othervoices/story/90638.html> See also: <http://StudentLoanJustice.org>

[19] "U.S. Teens Trail Peers Around World on Math-Science Test," Maria Glod, Washington Post, Dec 5, 2007; Page A07 <http://www.washingtonpost.com/wp-dyn/content/article/2007/12/04/AR2007120400730.html>

[20] "U.S. falls in education rank compared to other countries," Elaine Wu (U-Wire), 10-04-2005, The Kapi'o Newspress <http://www.google.com/search?hl=en&q=%22falls+in+education+rank+compared+to+other+countries%22+%22Elaine+Wu%22&aq=f&oq=&aqj=> And <http://search.yahoo.com/search?p=%22falls+in+education+rank+compared+to+other+countries%22+%22Elaine+Wu%22&toggl=1&cop=mss&ei=UTF-8&fr=yfp-t-832> (Key phrases search: "falls in education rank compared to other countries" "Elaine Wu")

[21] "U.S. slips lower in coding contest: In what could be an ominous sign for the U.S. tech industry, American universities slipped lower in an international programming contest," Ed Frauenheim, News.com, Posted on ZDNet News: Apr 7, 2005 [http://news.zdnet.com/2100-9595\\_22-142206.html](http://news.zdnet.com/2100-9595_22-142206.html)

[22] Sean Hannity, from 7:22-8:22, concurs with this analysis -and with me: We've been "dumbed down" and our public schools are "mediocre at best." At 8:22+, he says "taxpayers ought not foot the bill" for Higher-Ed. From 4:59-5:13, he makes the '6am to midnight' comments. [http://www.youtube.com/watch?v=m3ogGD17pq4&feature=channel\\_page](http://www.youtube.com/watch?v=m3ogGD17pq4&feature=channel_page) \*\* Cached:

<http://www.GordonWayneWatts.com/FannyDeregulation/21-22Sept2009-Hannity-Call-In.mp3> and <http://www.GordonWatts.com/FannyDeregulation/21-22Sept2009-Hannity-Call-In.mp3>. **Newly added**

**comment:** *I don't mean any offense or disrespect to Sean Hannity, but I must now update my research paper here to clarify and point out one glaring FACT: Mr. Sean Hannity is a hypocrite - While he has no problem with student's tuition (a form of tax: see above) being jacked up almost one-thousand (1,000%) percent, LOL, nonetheless, I am quite sure that he could cringe at the discovery that \*his\* income taxes increased by the same amount. IN HIS DEFENSE, I realise that he would probably say that this is not an equal comparison -ah, but is it?? --Well, he has no choice but to get a job of some sort to make money, and, likewise, the students nowadays, have no choice but to get an education if we are to compete in the global market. So, the comparison is indeed equal. I say all this to underscore the double-standards and hypocrisy the rich have for those similarly-situated who are poor -even the "conservative" rich, like Hannity. THAT is the reason our country is falling: Lack of care for our neighbour. That all needs to change -and it will upon arrival of Jesus. In time.--END OF COMMENT*

[23] As odd as this sounds -that a meal will be 100 or 200 dollars many religious conservatives do believe this will happen in the very near future -due to end-times prophecies such as this one: "And I heard a voice in the midst of the four beasts say, A measure of wheat for a penny, and three measures of barley for a penny, and see thou hurt not the oil and the wine." (Holy Bible, Rev 6:6 KJV) "...[The price: It will be a] quart of wheat [a day's worth of human food] for a denarius [a whole day's wages], and three quarts of barley [daily measure of food used for livestock also sold] for a denarius..." (Holy Bible, Rev 6:6 AMP) Cf II Kings 6:25, another similar occasion. (Some comments in bracket not in original but added for clarity)

[24] In 1st Samuel 22:1-2, people were probably over-taxed and in debt, and without a doubt this was the case with Solomon's not-so-wise son, Rehoboam, as told in 1st Kings 12:1-16 -almost all of his citizens revolted and kicked him out as king for his stated plans to over-tax his constituents.

[25] "And whosoever shall compel thee to go a mile, go with him twain." (Holy Bible, Matt 5:41 KJV)

[26] In *Dred Scott*, a 7-2 majority of America's highest court, not too long ago, held that "[T]he negro might justly and lawfully be reduced to slavery for his benefit." Chief Justice Roger B. Taney, writing for the Court. *Dred Scott v. John F. Sanford*, 15 L.Ed. 691; 19 How. 393; 60 US 393 at 407.(US 1857).

[27] Key Phrase search: <http://www.google.com/search?hl=en&source=hp&q=%22debt+slaves%22&aq=f&oq=&aqi=g1g-m1> and <http://search.yahoo.com/search?p=%22debt+slaves%22&fi=yfp-t-501&toggle=1&cop=mss&ei=UTF-8>

[28] This is not the first time in history blanket forgiveness of debts has been considered: "1At the end of every seven years you shall grant a release of debts. 2And this is the form of the release: Every creditor who has lent anything to his neighbor shall release it; he shall not require it of his neighbor or his brother, because it is called the LORD's release...9Beware lest there be a wicked thought in your heart, saying, 'The seventh year, the year of release, is at hand,' and your eye be evil against your poor brother and you give him nothing, and he cry out to the LORD against you, and it become sin among you. 10You shall surely give to him, and your heart should not be grieved when you give to him, because for this thing the LORD your God will bless you in all your works and in all to which you put your hand. 11For the poor will never cease from the land; therefore I command you, saying, 'You shall open your hand wide to your brother, to your poor and your needy, in your land.'" (HOLY BIBLE, Deuteronomy 15:1-11, NKJV) Those 'moral conservatives' who would suggest this is not fair for those students who have already repaid their debts should note that in the Deuteronomy passage above, no allowance is made for special treatment for those debtors who had repaid their debts -they just had to 'tough it out' and be glad their neighbors' debts were forgiven. This is the kind of 'tough love' that is needed to address the higher education and bankruptcy crisis hitting our nation, not unlike the 'hard-line' advice given in both Old and New Testaments regarding how to address housing and homeless issues. Isaiah 58:6-7 (Old Testament) demands that you take in the homeless wandering stranger -and no less than Jesus, Himself, in the New Testament (Matthew 25:31-46) repeats this same demand -echoing all sustentative requirements laid down by the prophet Isaiah: Jesus makes no bones about the consequences for not feeding the hungry, clothing the naked, or taking in the homeless: With Divine authority conferred upon Him, Jesus does no less than send the malefactors directly to Hell. -- Jesus also said: "And whenever you stand praying, if you have anything against anyone, forgive him and let it drop (leave it, let it go), in order that your Father Who is in heaven may also forgive you your [own] failings and shortcomings and let them drop." (Mark 11:25, Holy Bible, AMP) -- LASTLY, Jesus also said: "...forgive, and ye shall be forgiven. (Luke 6:37b, Holy Bible, KJV) - See also:

<http://ForgiveStudentLoanDebt.com>

[29] *In Re: GORDON WAYNE WATTS (as next friend of THERESA MARIE "TERRI" SCHIAVO)*, No. SC03-2420 (Fla. Feb.23, 2003), denied 4-3 on rehearing.

<http://www.floridasupremecourt.org/clerk/dispositions/2005/2/03-2420reh.pdf>

[30] *In Re: JEB BUSH, GOVERNOR OF FLORIDA, ET AL. v. MICHAEL SCHIAVO, GUARDIAN: THERESA SCHIAVO*, No. SC04-925 (Fla. Oct.21, 2004), denied 7-0 on rehearing.

<http://www.floridasupremecourt.org/clerk/dispositions/2004/10/04-925reh.pdf>

[31] *Schiavo ex rel. Schindler v. Schiavo ex rel. Schiavo*, 403 F.3d 1223, 2005 WL 648897 (11th Cir. Mar.23, 2005), denied 2-1 on appeal. <http://www.ca11.uscourts.gov/opinions/ops/200511628.pdf>

[32] Key Phrase search: <http://www.google.com/search?hl=en&q=%22florida+house%22+64+%22gordon+wayne+watts%22&cts=1255495265724&aq=f&oq=&aqi=> and <http://search.yahoo.com/search?p=%22florida+house%22+64+%22gordon+wayne+watts%22&fi=yfp-t-155&toggle=1&cop=mss&ei=UTF-8>

[33] One example of wasteful spending I could not fit in due to word-length (this research paper is already exactly 1,575 words in the body only -not counting the title, references, or footer), was the requirement for students to purchase the newest edition of textbooks every year. This is entirely untenable, since many sciences -such as Physics and Math -have not changed sustentatively in the last century: The Laws of Physics aren't just going to change all of a sudden -and the newer developments do not need new textbooks (such as one friend who reports that he paid \$1,500.00 for \*each\* of his children for new textbooks). The Higher-Ed textbook industry is a "Cash Cow," milking students. One alternative is to have textbooks online -or -in portable "e-books." Another is to require only supplemental materials be purchased -or downloaded. However, no matter how you slice it, students are getting juked and played like a piano -and milked like a cow. America's good name is tarnished when education costs more -and does less -than other countries. I don't wish to offend other countries (they beat us fair and square), but this game must not continue: Just like in war, everybody loses when it played.

[34] My friend, Eddie Adams, Jr., [who is a genuine conservative](#) (one of many true conservatives this election cycle) [running for U.S. Congress](#) in a neighboring district, was recently interviewed by me for my newspaper's coverage ([main link](#) - [alt. link](#)) of the Districts 11 and 12 House races. When I asked him about pouring tax dollars into higher-ed, he responded predictably and as expected -he opposed such; however, when I asked him whether he supported standard bankruptcy protections for student loans as with credit cards users, he said they should pay them back -as he did (invoking the personal responsibility motif). While I respect his work ethic and feel he has earned a right to his opinion, I genuinely feel he was wrong on the merits (because I feel students should only pay back the value of their education -not the inflated amount they were forced to accept due to the collusion of the institutions of higher-ed). Since he, like myself, is a Christian, who adheres to the Bible as infallible scripture ([his grandfather was a Baptist preacher](#)), I was inspired to review the Lord's standards on this topic, and I credit Eddie for so inspiring me. It is my belief that all true followers of Christ will be conformed to the renewing of the scriptures, and so

I write this with the hope that Eddie will slowly, but surely, change his viewpoint herewith: **This section below is directed only at Bible-believing Christians -and, while trying to "win converts" is good, that is not what this section is saying:**

**'Practical' considerations: What's helpful for \*you\***

<sup>7</sup> "Be not deceived; God is not mocked: for whatsoever a man soweth, that shall he also reap." -Galatians 6:7 (KJV)

TRANSLATION: Karma has a biting way about it: What goes around comes around, so don't jack the students out of their fair value by **\*\*greatly\*\*** overcharging them for their education—simply because they're a captive audience -and a captive market.

**'Legal' considerations: What's helpful according to the \*government\***

<sup>1</sup> "Let every soul be subject unto the higher powers. For there is no power but of God: the powers that be are ordained of God.

<sup>2</sup> Whosoever therefore resisteth the power, resisteth the ordinance of God: and they that resist shall receive to themselves damnation.

<sup>3</sup> For rulers are not a terror to good works, but to the evil. Wilt thou then not be afraid of the power? do that which is good, and thou shalt have praise of the same." -Romans 13:1-3 (KJV)

COMMENTARY: If monopoly or collusion laws were broken –and/or if excessive fines imposed upon student that are not even legal for credit card users (the latter implicating Equal Protection), then this would be illegal –and, besides violating 'Man's Law,' the rich leaders profiting off of students would also be in violation of this section of God's standard.

**'Moral' considerations: What's helpful for \*others\***

<sup>12</sup> "In everything, therefore, treat people the same way you want them to treat you, for this is the Law and the Prophets." -Matthew 7:12 (NASB)

<sup>16b-17a</sup> "...Judge fairly between each person and his fellow or foreigner. Don't play favorites; treat the little and the big alike; listen carefully to each. Don't be impressed by big names. This is God's judgment you're dealing with..." -Deuteronomy 1:16b-17a (The Message)

<sup>3</sup> "Defend the poor and fatherless: do justice to the afflicted and needy." -Psalm 82:3 (KJV)

<sup>21</sup> "Though hand join in hand, the wicked shall not be unpunished: but the seed of the righteous shall be delivered." -Proverbs 11:21 (KJV)

<sup>22</sup> "Do not exploit the poor because they are poor and do not crush the needy in court,

<sup>23</sup> for the LORD will take up their case and will plunder those who plunder them." -Proverbs 22:22-23 (NIV)

<sup>8</sup> "Speak up for those who cannot speak for themselves, for the rights of all who are destitute.

<sup>9</sup> Speak up and judge fairly; defend the rights of the poor and needy." -Proverbs 31:8-9 (NIV)

<sup>11</sup> "When the sentence for a crime is not quickly carried out, the hearts of the people are filled with schemes to do wrong." -Ecclesiastes 8:11 (NIV)

<sup>20</sup> "Humility is an abomination to the proud; likewise the poor are an abomination to the rich. <sup>21</sup> When the rich person totters, he is supported by friends, but when the humble falls, he is pushed away even by friends.

<sup>22</sup> If the rich person slips, many come to the rescue; he speaks unseemly words, but they justify him. If the humble person slips, they even criticize him; he talks sense, but is not given a hearing. <sup>23</sup> The rich person speaks and all are silent; they extol to the clouds what he says. The poor person speaks and they say, "Who is this fellow?" And should he stumble, they even push him down." -Sirach 13:20-23 (NRSV)  
Deuterocanonical Apocrypha

<sup>10</sup> "If thou faint in the day of adversity, thy strength is small." -Proverbs 24:10 (KJV)

<sup>28</sup> "Strive for the truth unto death, and the Lord shall fight for thee." -Sirach 4:28 (KJV)

<sup>28</sup> "Fight to the death for truth, and the Lord God will fight for you." -Sirach 4:28 (NRSV)

[35] In my Official Campaign pages (<http://GordonWayneWatts.com/Campaign.html> and <http://GordonWatts.com/Campaign.html>), like most 'conservatives,' I had supported VOUCHERS for high schools and other public schools, at least for 'equal treatment' of vouchers as with Pell Grants and Guaranteed Student Loans, but I was dead-wrong here: Although I was right to support 'equal treatment' between vouchers (pre-K through high school) and Pell Grants & Guaranteed student loans (Higher Education, Universities, college), I WAS WRONG to support vouchers AT ALL -for the same reason I was wrong to support and public funding of higher-ed: It distorts the market, feeding an addiction which results in higher tuition and costs -all the while using tax dollars to feed this addiction. Thus, if I make a compelling case against liberals using tax dollars for higher ed (grants, loans), then the same problems must **\*logically\*** exist with vouchers: Even though students and parents can make some choice in which high school to attend (some free market

'competition' forces are at work), the influx of tax dollars still distorts the market (overall, that is), and the high schools realise they can raise tuition, since students can afford more. Thus, while intuitively against what we may feel, we must be consistent with our logic and rationally conclude that the government should get OUT of education altogether: Both Higher Ed (colleges and Universities) as well as 'lower' ed: Pre-K through high school.

### [36] Gordon's Story:

Long-story-short: My student loan is unfair "usury / interest" -prohibited by many Biblical scriptures enumerated below, and I am drowning in debt... (from the Amplified Bible)

-- This is the end of the "short" version. Below, this email is long, I warn the reader in all fairness. --

Matthew 25:27

Then you should have invested my money with the bankers, and at my coming I would have received what was my own with interest.

Luke 19:23

Then why did you not put my money in a bank, so that on my return, I might have collected it with interest?

*Comment: Jesus does not say He agrees with interest being charged --He only acknowledges its existence; but, even assuming Jesus now approves of interest charged on loans, a change from Old Testament times, nonetheless, He does \*not\* approve of over-bearing or oppressively crushing interest and charges, as described below -- You use Scripture to interpret Scripture:*

Exodus 22:25

If you lend money to any of My people with you who is poor, you shall not be to him as a creditor, neither shall you require interest from him.

Leviticus 25:36

Charge him no interest or [portion of] increase, but fear your God, so your brother may [continue to] live along with you.

Leviticus 25:37

You shall not give him your money at interest nor lend him food at a profit.

Deuteronomy 23:19

You shall not lend on interest to your brother--interest on money, on victuals, on anything that is lent for interest.

Deuteronomy 23:20

You may lend on interest to a foreigner, but to your brother you shall not lend on interest, that the Lord your God may bless you in all that you undertake in the land to which you go to possess it.

Nehemiah 5:7

I thought it over and then rebuked the nobles and officials. I told them, You are exacting interest from your own kinsmen. And I held a great assembly against them.

Nehemiah 5:10

I, my brethren, and my servants are lending them money and grain. Let us stop this forbidden interest!

Psalms 15:5

[He who] does not put out his money for interest [to one of his own people] and who will not take a bribe against the innocent. He who does these things shall never be moved.

Proverbs 28:8

He who by charging excessive interest and who by unjust efforts to get gain increases his material possession gathers it for him [to spend] who is kind and generous to the poor.

Ezekiel 18:8

Who does not charge interest or percentage of increase on what he lends [in compassion], who withholds his hand from iniquity, who executes true justice between man and man,

Ezekiel 18:13

And has charged interest or percentage of increase on what he has loaned [in supposed compassion]; shall he then live? He shall not live! He has done all these abominations; he shall surely die; his blood shall be

upon him.

Ezekiel 18:17

Who has withdrawn his hand from [oppressing] the poor, who has not received interest or increase [from the needy] but has executed My ordinances and has walked in My statutes; he shall not die for the iniquity of his father; he shall surely live.

Ezekiel 22:12

In you they have accepted bribes to shed blood; you have taken [forbidden] interest and [percentage of] increase, and you have greedily gained from your neighbors by oppression and extortion and have forgotten Me, says the Lord God.

**UPDATE: Islam (practiced by Muslims) agree with Christianity and Judaism on this point of Usury**

**Accepted by all observant MUSLIMS, practicing ISLAM, Canon Scripture:**

\* “Those who consume interest cannot stand [on the Day of Resurrection] except as one stands who is being beaten by Satan into insanity. That is because they say, "Trade is [just] like interest." But Allah has permitted trade and has forbidden interest. So whoever has received an admonition from his Lord and desists may have what is past, and his affair rests with Allah . But whoever returns to [dealing in interest or usury] - those are the companions of the Fire; they will abide eternally therein.” **Al-Baqarah (The Cow), Surah 2:275, THE NOBLE QUR'AN (Sahih International translation), © QURAN.COM. ALL RIGHTS RESERVED 2016, FAIR USE quote: <http://quran.com/2>**

\* “130. O ye who believe! Devour not usury, doubling and quadrupling (the sum lent). Observe your duty to Allah, that ye may be successful.” **(The Family of Imran) Qur'aan (Holy Koran) Surah 3:130 (Pickthall Translation, FAIR USE quote)**

\* “161. That they took usury, though they were forbidden; and that they devoured men's substance wrongfully;- we have prepared for those among them who reject faith a grievous punishment.”

**(The Women) Surah 4:161, Holy Koran, Surah 4:161 (M.H. Shakir Translation, FAIR USE quote)**

\* “39. The usury you practice, seeking thereby to multiply people's wealth, will not multiply with God. But what you give in charity, desiring God's approval-these are the multipliers.” **Surah al-Rum (The Romans) Quran in English 30:39 (Translated by Talal Itani) <http://www.clearquran.com/030.html>** (You are free to share and distribute this translation. ClearQuran is provided under the Creative Commons License. Attribution, NonCommercial, NoDerivs. Available in two editions: Edition (A) uses the word 'Allah' to refer to the Creator. Edition (B) uses the word 'God'.) [Shared under Creative Commons and/or Fair Use excerpt]

\* “[Interest] is pure Riba [Usury] and Allah has forbidden Riba and dealing with it is known among all Muslims...[and]...that taking Riba [Usury, even] for the purpose of giving it as alms, a present or any other good deed does not make it their lawful.” Source: “Fatwa No : 81349,” Bank account, Fatwa Date : 2001-09-11 19:53:53 / 2001-09-11 19:53:53 <http://www.islamweb.net/emeraht/index.php?page=showfatwa&FatwaId=81349> **(FAIR USE quote)**

*Contra:* "The Quran forbids usury, not interest. Quite a few states in USA have laws against usury. Usury is defined as excessive interest. A Dictionary defines usury as "an excessive or inordinate premium for the use of money borrowed", "extortionate interest", or "the practice of taking exorbitant or excessive interest." The Arabic language also makes distinction between interest (Fa'eda) and usury (Reba). The Quran forbids Reba or usury.” Source: “Usury & Interest Rate in Quran” **(FAIR USE quote) [http://submission.org/usury\\_Interest\\_Rate.html](http://submission.org/usury_Interest_Rate.html)**

*Cf:* “The Differences between Riba, Usury and Interest,” By Shah Nawaz Khan <http://www.paklink.biz/articles/interest-riba.html>

*Cf:* “Difference Between Usury & Interest?” <http://www.islamicboard.com/business-islamic-finance/134264602-difference-usury.html>

**\* However, in violation of these religious beliefs (Jewish, Christian, & Muslim), 'Usury' (interest, in many cases, very excessive/oppressive interest) is still charged on loans, Student Loans included.**

*END Update*

**The Details:**

Right out of high school, I went to the local community college in my area under a “merit scholarship,” because of my grades (top 10% in high school), but, since I was a kid, I lost the scholarship after 3 semesters due to low grades. I was too young to know what I wanted. Then, I went to electronic college here in the Tampa Bay (Florida) area, to study a hobby I enjoyed, and the college indicated it might help me get a good job, but no job was forthcoming, even though I was one of three students who tied for my class valedictorian, that is, the number one spot. Even though I was unable to get a good job, I made regular payments on



my loan.

However, a few years later, figuring my 2-year vocational degree was not enough, I went back to college, and I graduated with honors and a double major from The Florida State University, hoping to pursue genetics -another subject of which I am fond.

I achieved higher grades at Florida State than I had even during the 2 semesters I retained my "Merit Scholarship" at Hillsborough Community College, but the State of Florida did not give me back my academic scholarship.

In plain English, what I am trying to say here is that even when I got my grades HIGHER than those who had academic scholarships, I was not given my scholarship back -the money went to students, many of whom had LOWER grades than me, which I think was unfair, and, from a "constitutional" standpoint, a Federal Violation of Equal Protection (I was not "Equally" protected here, since those with lower grades continued to receive academic grants.)

My total debt grew to 46 Thousand dollars, 23 Thousand of subsidized loans and 23 Thousand of unsubsidized loans. (That is, the government pays the interest on subsidized loans under some circumstances.) I tried getting a good job in my field, but since few companies in Florida deal in genetics, any serious move I have attempted to make to obtain a job in my field would take major money for rent (I live with my father currently), and I can afford either rent OR paying back my college loan, BUT not both -unless I want to pay only on the interest and pay on it forever!

Help!

I did not go to college to be a burger flipper, hello. I call upon My God to help me -I believe in Heaven and all, but I don't want to be a martyr simply because greedy persons in authority charge me interest.

In all fairness to Sallie Mae, they let me consolidate my loan and have -up to this point -continued to grant me forbearances and unemployment deferrals, but the interest continues to grow, and I don't know, from a mathematical standpoint, how I will ever be able to pay back my loan.

When a student jumps through all the "right" hoops and yet something like this happens (and my case is not even a "horror story" -many are apparently much worse, reading these other letters) ...uh...oh! Yes, as I was saying: When a student jumps through all the "right" hoops and yet something like this happens, something is just not right, folks.

If the "Interest" charged on my loans were no more than the rate of inflation, I could pay on the loan until it is paid off, as my pay-raises would increase in strength at the same pace as the interest, but we know that this is not true. For this reason, it doth appear to me that "The System Is Broke." Help...

Sincerely, and I sign with my real name to show that I am not making up this story:

Mr. Gordon Wayne Watts of Lakeland, Florida, USA, Earth.

**[37] -- Copy of: Facebook.com e-mail correspondence --**

Cached copy of screen shot to prove Ross really said this: [mirror 1](#) -- [mirror 2](#)

## Between [Dennis Ross](#) and [You](#)



[Gordon Wayne Watts](#) June 2 at 10:16am

I posted a question about H.R. 5043 just now, and it's deleted - I guess you deleted it. Was my post offensive in some way? The issues surrounding that are explained on <http://GordonWatts.com/Higher-Ed-Tuition-Costs.html> or <http://GordonWayneWatts.com/Higher-Ed-Tuition-Costs.html> -- briefly, students used to have bankruptcy protections, and if these standard loan protections are returned, the Federal Government will be less likely to guarantee student loans, less loans will originate, --and at a cost lower than before (Lower Tuition: since colleges will know they can't price-gouge students without risk of bankruptcy), and this will have a "side effect" of getting Government OUT of Higher-Education. (Translation: GOOD, since conservatives \*want\* the Govt out of Higher Education.)

For some reason, liberals support this too -and I suspect they view it as a free handout.

I don't want a free handout - I don't mind paying what I owe, but I don't want to be over-taxed to death, and tuition is technically a tax, since it is funding to a state-owned college in most cases -and a college regulated by State & Federal gov't in all cases.

This is a rare issue where liberals & conservatives can see eye-to-eye and agree -instead of the usual Washington 'gridlock.'

What is your take on this issue? -- And, what about my post was offensive to motivate you to delete it?

---



**Dennis Ross** June 2 at 10:55am [Report](#)

I took it down because I wanted my constituents to see the post about the balanced budget hearing going on right now. Nothing offensive, just didn't want that post moved down the page so far.

As for HR 5043, I do not support it. Allowing discharge in bankruptcy for student loans would cause a sharp decline in availability of loans. I also do not support the federal government being the only student loan lender, as it is now after last year.

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**Gordon Wayne Watts** June 2 at 11:26am

I \*want\* a sharp decline in the availability of student loans (ideally, I would eliminate ALL of the government's interference in the Free Market -and get the Federal Government \*out\* of Higher Education altogether!)

You see, Dennis, every time Congress raises the loan limits (thus enabling students to be saddled with more debt), dishonest liberal colleges find new excuses to raise tuition (even though they're not justified, since quality of education has actually gone down).

In the 50's US colleges were tops in the world, in tuition could be paid for by a part time job in the cafeteria over the summer.

Now-days, tuition is unbearably heavy -with some students even committing suicide -- have you ever wondered why tuition is skyrocketing much faster than inflation's rate?

Liberals who support gov't interference in the free market make unrealistically large loans available, and colleges simply charge more because they can.

But I don't see how a conservative such as you or I could support this interference in the Free Market by the Government.

If the gov't got out of guaranteeing loans (which would occur to some small degree if HR5043 passed -since bankruptcy would partly cancel out past loans -and discourage future ones from being unrealistically large), then tuition would drop -since colleges would know they could no longer price-gouge students without repercussions.

If drug users & criminals with credit cards can get bankruptcy, why not students?

Also, when bankruptcy protections were in place for student loans just a few years ago, lenders were not so irresponsible, and the default rate was not high -but when bankruptcy protections were removed, the default rate skyrocketed.

Lastly, the conservative Tampa Tribune 'got it': (Beware the debt trap, Tampa Tribune, Oct 18, 2009)

<http://www.tbo.com/list/news-opinion-letters/beware-the-debt-trap-62424>

or: <http://GordonWayneWatts.com/FannyDeregulation/TampaTrib10-18-2009.jpg>

or: <http://GordonWatts.com/FannyDeregulation/TampaTrib10-18-2009.jpg>

You're just as conservative as the Tribune, I trust -- here is documentation and clarification of my claims about HR5043:

<http://GordonWayneWatts.com/Higher-Ed-Tuition-Costs.html>

or:

<http://GordonWatts.com/Higher-Ed-Tuition-Costs.html>

You know I'm a conservative, and I don't want to 'get out' of paying for my college education (eg getting a 'Free Handout'), but tuition is, technically, a tax, since it goes to state-owned universities in most cases --and Federal/State regulated colleges in all cases, and students have been over taxed now for some time. You don't support this over-tax which resulted from liberals' interfering with the free market, do you? (Hint: Colleges of the 50's were low because the gov't didn't interfere in the Free Market.)

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**Gordon Wayne Watts** June 2 at 2:03pm

I was a little emotional earlier --rest assured I am not mad or offended at your deleting my post. (But since I see you did delete my 'regular' email -probably afraid the attachment might infect your computer, I will hope to gain

your ear just a little longer.)

Anyhow, we've tried it the liberals' way --and all those 'Student Loans' did nothing but enable a skyrocketing tuition.

So, that's why I want to go back to the way it was: Either no loans at all -or, if there are loans, standard consumer protections (eg bankruptcy) --like it was back in the 50's --when quality of education was high, and tuition was low.

What has, at root, caused this lending system to grow in to the predatory beast it has become, caused the schools to loose their honor in favor of greed, hurt the students, etc. is #1: the removal of standard consumer protections from student loans & also #2: the creation of draconian collection powers. Combined, these two actions made defaults the preferable outcome for the entire lending system, and took away the motivation to help the students from the people running the system (most importantly the people at the Department of Education).

When the people making the loans (the guarantors for the loans & even the Department of Education) lost the financial interest to help the students, but instead were given a financial incentive to want students to default & fail, the entire system became predatory, corrupted, inflationary, etc. This is the most fundamental cause that explains the unchecked greed that came to dominate the colleges/universities. Simply returning the standard consumer protections that were taken away (e.g., those HR 5043 reactivated) will fix this defect, and, over time, the various horrible things that were created will go away, and this includes the raping of the students by the schools.

Government interference in the Free Market has not worked, as we see --I want the Federal Government out of Higher Ed altogether, and students who were over-taxed to be reimbursed.



[Gordon Wayne Watts](#) June 2 at 6:16pm

I was wrong on some of what I said regarding HR 5043... and I wanted to apologise:

As I was heading out the door for lunch earlier today, Jacob Walsh, a friend I haven't heard from in years call me up because he wanted my help in helping him apologise to Alan Collinge the head of Student Loan Justice - and it was because he changed his views on student loan bankruptcy.

I was freaked out because of the timing of this -- since I had planned, while I was at lunch, to drop off a copy of my letter to the editor that you deleted in your AOL email (you prob. deleted it because it had an attachment -- and I don't totally blame you).

Jacob has been a student loan officer for many years now, and so I took the chance to ask his opinion of the issue, so that if you and I discussed it further, I would know if I had taken a "common sense" approach.

Jacob looked up H.R. 5043 on the computer while we talked, and he brought to my attention that this affects only private student loans -not subsidised ones, such as Stafford.

I relayed to him your concern that bankruptcy protections would chill the market, and, as you say, cause a sharp decline in availability of loans; Jacob pointed out that credit card loans are typically on the same terms (interest, payment options, fees, etc.) as these private loans, and yet credit card loans have continued unabated -and that even someone with bad credit can find a lender.

He also pointed out that there would still be Stafford and other Federally-guaranteed loans available to student -and that they would not have any bankruptcy protections.

So, he concluded that your fears of a sharp decline in availability of loans were unfounded.

He also took a swipe at your stance on the issue, saying that you were not a 'true' republican, since he believes you are bought out by the big lenders to allow these loans to students, but I tried to defend you on this point, saying I believed you were truly conservative. Jacob lives in Indiana, and thus not a constituent in your district, but I fear other constituents might sympathise with the views he espoused.

Anyhow, now that I've clarified that HR 5043 doesn't touch public or backed loans, as they call them, and that even the private loans would be affected no differently than credit card loans (which are done all the time -with no difficulty), are your fears allied?

Lastly, if what you're saying is true about bankruptcy protections causing a sharp decline in student loans, then how did colleges get by in the 50's without soaking student -and ruining their credit with super high loans that could not be discharged short of a full disability or the like? (My guess is the colleges learned to live within their means -and obeyed free market pressures.)

You'll enjoy my letter to the Tampa Tribune --it is quite short and to the point.

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**[38] Research paper -- Comparison of Student Loan Debt Slavery to Civil War Slavery: Percentages of enslaved citizens, types of slavery and oppressions, and expected results**

## **Comparison of Student Loan Debt Slavery to Civil War Slavery:**

## Percentages of enslaved citizens, types of slavery and oppressions, and expected results

Author: Gordon Wayne Watts ([www.GordonWatts.com](http://www.GordonWatts.com) / [www.GordonWayneWatts.com](http://www.GordonWayneWatts.com)) – Friday, 01 July 2011

### This analysis of the relevant data asks this question:

“Which form of slavery is more prevalent in the population, and what end result can be reasonably expected based on the data?” Comments of analysis (*set off by: “[Gordon's Comments](#).”*) appear below each data entry to show relevance to the question under review.

**SUMMARY:** Normally, such a comparison would be insulting to U.S. African-American citizens, but in light of new figures of a **dramatic rise in suicides** (of students of all colours, ages, & genders) by stress resultant from Student Loan Defaults, this comparison is valid: Their blood is worth something.

[\*] “Crushing debt” (Chicago Sun-Times, BY DAVE NEWBART) September 24, 2007 “Jan Yoder was preparing for her son's funeral when the phone rang. It was another student loan collector wanting to know when her son would pay up...It was those calls and the burden of crushing debt, she says, that led her depressed son to take the drastic action of killing himself late last month. “When it gets to the point where people are fleeing the country, going off the grid or taking their own lives, you know something has gone horribly wrong,” said Alan Collinge, founder of Student Loan Justice, which is pushing to change student lending laws.” <http://www.ibhe.state.il.us/NewsDigest/NewsWeekly/092807.pdf> (Higher Ed News Weekly: from the Illinois Board of Higher Education, page 57) ~ <http://nalert.blogspot.com/2007/09/student-loan-debt-drives-man-to-suicide.html> (Newsalert) See also: <http://StudentLoanJustice.org>

[\*] “I’m Thinking of Suicide Because of My Student Loans. – John” (GetOutOfDebt.org, undated news story) “Dear Steve, My student loans are almost \$42,000 dollars. I pay almost \$260 dollars per month and all but \$12 dollars is interest and the principal continues to go higher...I frequently think about suicide; thinking about my son is the only thing that has so far kept me from committing suicide. John” <http://getoutofdebt.org/5493/im-thinking-of-suicide-because-of-my-student-loans-john> See also, note: “36” below regarding the Bible standards on interest fees charges for loans.

[\*] “A Pastor's Student Loan Debt” (NPR, by Libby Lewis) July 14, 2007 “Dan Lozer's tiny paycheck means he'll be paying off those loans until 2029...Lozer said there was a time when he thought about suicide.” <http://www.npr.org/templates/story/story.php?storyId=11980696>

[\*] “Company’s march toward student loan monopoly scary” (The News Tribune, By ALAN COLLINGE) 06/19/07 “In Boston; a medical student can’t get licensed because he can’t pay \$52,000 on what began as a \$3,000 debt. A suicide in Oregon. A suicide in Maryland. People who have fled the country due to the explosion of their student loan debt. The list goes on and on.” <http://www.thenewstribune.com/opinion/othervoices/story/90638.html> See also: <http://StudentLoanJustice.org>

See: <http://GordonWatts.com/Higher-Ed-Tuition-Costs.html> or:

<http://GordonWayneWatts.com/Higher-Ed-Tuition-Costs.html> or even:

[http://Gordon\\_Watts.Tripod.com/Higher-Ed-Tuition-Costs.html](http://Gordon_Watts.Tripod.com/Higher-Ed-Tuition-Costs.html)

for more details.

### DATA:

After the American Revolution, the Southern slave population exploded, reaching about 1.1 million in 1810 and over 3.9 million in 1860. Source: <http://eh.net/encyclopedia/article/wahl.slavery.us>

Total 1860 Population

Total Free Population	27,489,561
Total Slave Population	3,953,760
Grand Total	31,443,321

<http://www.civilwarhome.com/population1860.htm>

1860	31,443,000
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<http://www.wisegeek.com/what-was-the-population-of-the-us-throughout-its-history.htm>

**Gordon's Comments:** Civil War Home's figures seem most accurate and are verified by EH.net and WiseGeek.com

The figures show that African American slaves constituted 12.57% of the total population immediately before the Civil War –in other words, when 12.5% of the population was oppressed with slavery, this was the 'tipping point' of the crisis. If and when a similar percentage of oppressed American citizens (of any demography) is oppressed, we might expect a similar end result as was seen in the Civil War; economic oppression has been shown to have very strong negative results, no matte the context or demography under oppression.

### U.S. & World Population Clocks

U.S. 311,666,453

World 6,946,113,685

07:55 UTC (EST+5) Jul 01, 2011 *Source:* <http://www.census.gov/main/www/popclock.html>

### U.S. Population, 2011: 310 Million and Growing

By Robert Schlesinger

Posted: December 30, 2010

*Source:* <http://www.usnews.com/opinion/blogs/robert-schlesinger/2010/12/30/us-population-2011-310-million-and-growing>

**Gordon's Comments:** The official U.S. Census website seems not only the most accurate (as verified by similar figures from USNews.com), but also (and as more importantly) an official source. We then take [accept] the U.S. Population to be 311,666,453, as stated.

Nearly 12 percent of borrowers who began repayment in fiscal 2007 defaulted within three years – up from 9.2 percent for 2006. But at for-profit colleges, the rate was 21.2 percent within three years, The Associated Press calculated from the government's data. That was up from 18.8 percent for fiscal 2006...However, the new data show more than 300 colleges – more than 85 percent of them for-profit schools – had three-year default rates higher than 30 percent. Those schools will have to improve when the rules kick in or risk losing federal aid...The figures do not include private student loans, just those from the

government.

Source: [http://www.huffingtonpost.com/2009/12/14/student-loan-defaults-1-i\\_n\\_390821.html](http://www.huffingtonpost.com/2009/12/14/student-loan-defaults-1-i_n_390821.html)

**Gordon's Comments:** I'm just looking for total numbers of loans (or total numbers of students) and then the total number of defaulted (and also distressed) loans –in order to get a simple percentage. The Huffington Post's figures are hard to pin down to a specific total, but they may possibly be useful in gauging other figures –to make sure that any other sources are at least "in the ballpark" and close enough to be accepted as accurate. Since the Huffington Post's figures don't include private loans, then the genuine numbers are going to be higher.

Borrowers in the 2005 cohort faced a range of circumstances and options as they started repaying their loans, and continued to do so as they moved along the path of trying to meet their repayment obligations. The study looks at whether these borrowers became delinquent at some point during that period or availed themselves of various options to postpone or delay repayment during their first five years in repayment...The defaulters. About 15 percent of borrowers not only became delinquent, but also had defaulted on their loan(s) at some point during the first five years of their repayment term. In total, 41 percent of the borrowers faced the negative consequences of delinquency or default. It is important to recognize that for every borrower who defaults there are at least two others who were also delinquent on their student loans, but successfully avoided default. These data illustrate that many more borrowers are having difficulty repaying their loans in a timely manner than is generally recognized when the focus is on default rates alone. These patterns are both a cause for concern and an opportunity for improvement.

Source: [http://www.ihep.org/assets/files/publications/a-f/Delinquency-The\\_Untold\\_Story\\_FINAL\\_March\\_2011.pdf](http://www.ihep.org/assets/files/publications/a-f/Delinquency-The_Untold_Story_FINAL_March_2011.pdf)

**Gordon's Comments:** Here, the IHEP.org (Institute for Higher Education Policy) website makes more specific claims.

First, let's look at the Huffington Post's stat: "Nearly 12 percent of borrowers who began repayment in fiscal 2007 defaulted within three years," and now let's look a comparable IHEP stat: "About 15 percent of borrowers [in the 2005 'cohort' -a group with similar demographics under study] not only became delinquent, but also had defaulted on their loan(s) at some point during the first five years of their repayment term." Since the IHEP studied students for 5 years, not 3 –and also included delinquency, it is not surprising that their 15% figure is larger than the Huffington Post's 12% figure, and also (most significantly), the two figures are similar enough to verify one another. Therefore, when IHEP states that the total percentage of borrowers facing "delinquency or default" was 41%, we have a source that we can trust –and, relevant to our question, we have an 'overall' figure we can trust for future analysis and calculations.

A whopping 46.3 percent of federal loans distributed to students at for-profit colleges in 2008 would go into default, according to new Education Department data...This figure is significantly larger than the rate of default on student loans overall, which in 2008 amounted to 15.8 percent.

Sources: [http://www.huffingtonpost.com/2010/12/23/46-percent-default-rate-o\\_n\\_800283.html](http://www.huffingtonpost.com/2010/12/23/46-percent-default-rate-o_n_800283.html)

citing: <http://ifap.ed.gov/eannouncements/122010CDRlifetimerate2010.html>

and: <http://ifap.ed.gov/eannouncements/attachments/122010CDRlifetimerateexplanationattachmentone2010.pdf>

and: <http://ifap.ed.gov/eannouncements/attachments/122010CDRlifetimerateattachment2ratechart2010.pdf>

**Gordon's Comments:** The Huffington Post's 15.8% figure for 'overall' 2008 defaults is similar to the previous two 'default' figures, and their projection of 46.3% is also similar to the 41% figure from IHEP for "delinquency or default" loans –and this seems reasonable, since many of the 'delinquency' loans in the IHEP figure might reasonably be expected to eventually default, thus pushing the figure up. -- Thus, let's take 46.3% to be the figure of total Student Loans we expect to eventually default.

**Student Loans are the New Indentured Servitude**

By Mike Konczal

Oct 12 2009, 12:35 PM ET

Source: <http://www.theatlantic.com/business/archive/2009/10/student-loans-are-the-new-indentured-servitude/28235/>

**Gordon's Comments:** This is vague and offers no solid data, but this widely-accepted 'new reality' ("*Student Loans are the New Indentured Servitude*") does seem to verify specific data from other sources.

### **More Than 1 in 3 Federal Student Loan Borrowers Struggling to Make Payments**

Source: [http://studentlendinganalytics.typepad.com/student\\_lending\\_analytics/2009/10/more-than-1-in-3-federal-student-loan-borrowers-struggling-to-make-payments.html](http://studentlendinganalytics.typepad.com/student_lending_analytics/2009/10/more-than-1-in-3-federal-student-loan-borrowers-struggling-to-make-payments.html)

**Gordon's Comments:** This 33.3% figure seems to support figures cited above.

### **Student Loan Debt Surpasses Credit Card Debt-What to Do?**

When the numbers shake out, that's nearly \$830 billion of student loan debt compared to the more than \$825 billion of credit card debt. Unlike credit card debt, people cannot have federally-guaranteed student loans erased by declaring bankruptcy. And the government can garnish Social Security payments and tax refunds if a person defaults on student loan payments...Students take out loans to better themselves, to create a future in an industry or business sector and to earn a living so that they can raise a family and become a productive part of society. And as tuition rates rise, more students and families are borrowing to the point of no return...Higher education has always been considered as a "good debt," because it presumably leads to a well-paying career. But for some, it's becoming just the opposite.

<http://www.foxbusiness.com/personal-finance/2010/09/20/student-loan-debt-surpasses-credit-card-debt/>

**Gordon's Comments:** This tidbit of information (*Student Loan Debt Surpasses Credit*) seems to support the hypothesis or theory that Student Loan debt is a 'real' problem with a genuinely high default rate due to unreasonable and/or unconstitutional terms and conditions –in spite of any 'official' figures to the contrary.

It is important to note that while these two types of debt weigh roughly equally upon the citizenry, media coverage of credit cards exceeds coverage of student loans by a factor of approximately 15-to-1 based on unscientific news surveys conducted since 2007. Source: [http://studentloanjustice.org/press\\_release8-6-10.html](http://studentloanjustice.org/press_release8-6-10.html)

**Gordon's Comments:** This disparity in news coverage between 'credit card' debt and 'Student Loan' debt might explain, in part, why the Student Loan crisis has been allowed to proceed unchecked.

### **Government Cashes In On Defaulted Student Loans**

Defaulting on student loans can be a nightmare for borrowers but, according to the Wall Street Journal, the practice is a boon to the national bank account. Every time a student defaults on a loan, the government can earn thousands of dollars more in interest than if the loan had been paid in earnest over time -- and one expert says this gives the government a "perverted incentive" to watch as loans default. Mark Kantrowitz, the publisher of FinAid.org, provided the Journal with an example of how the government profits from defaults: According to Kantrowitz, the government stands to earn \$2,010.44 more in interest from a \$10,000 loan that defaulted than if it had been paid in full over a 20-year term, and \$6,522.00 more than if it had been paid back in 10 years...Defaulting on student loans carries severe consequences for borrowers, including

ineligibility for future federal aid. The loans are almost never discharged, even in the event of a borrower's death.

Source: [http://www.huffingtonpost.com/2011/01/05/government-cashes-in-on-d\\_n\\_804582.html](http://www.huffingtonpost.com/2011/01/05/government-cashes-in-on-d_n_804582.html)

**Gordon's Comments:** This conflict of interest here that the U.S. Government has for student loans to default might explain, in part, why the government has NOT tried harder to put a stop to this oppression: Their conflict of interest, here, is a financial motive for the student to fail.

### **Government Sees High Returns On Defaulted Student Loans**

According to White House budget figures for fiscal 2011 ending in September, the federal government expects gross recovery of between \$1.10 and \$1.22 for every dollar of defaulted student loans...While students may default on their loans, it is nearly impossible to discharge student loan debt, even in bankruptcy. The government can garnish a borrower's wages, withhold tax returns and siphon off Social Security and disability payments in order to recover the funds. Collection costs stretch out the defaulted loan's term, with those payments taking precedence over principal reduction. **That, in turn, allows the government to tack on extra interest.**

Source: <http://online.wsj.com/article/SB10001424052748704723104576061953842079760.html>

**Gordon's Comments:** There is sometimes an 85% return-rate cited regarding Student Loans ("After paying the companies that actually collect the loans and other costs, the U.S. Department of Education expects to recover 85% of defaulted federal loan dollars based on current value," from the same article), in which the Government is said to get 85% or so of defaulted loans paid back, through such things as garnishing one's paycheck, social security check, etc., but this does not account for interest and fees, which appear to drive the figures up. What is not clear is whether or not this pushes the total principle up enough to make up for the fees that the collection agencies get, so that the government gets more than 100% of the original loan. That is, 122% is gross return, but it is not clear if the net return is more than 100%. However, I suspect it is, since this may refer to 85% of an "inflated" principal payment, one that grew larger due to capitalised interest, thus making it over 100% of the original loan. The prior source ("*Government Cashes In On Defaulted Student Loans*," *Huffington Post*) seems to support this analysis.

Few students can afford to pay for college without some form of education financing. Two-thirds (65.6%) of 4-year undergraduate students graduated with a Bachelor's degree and some debt in 2007-08, and the average student loan debt among graduating seniors was \$23,186 (excluding PLUS Loans but including Stafford, Perkins, state, college and private loans). Among graduating 4-year undergraduate students who applied for federal student aid, **86.3% borrowed to pay for their education** and the average cumulative debt was \$24,651. Source: <http://www.finaid.org/loans/>

**Gordon's Comments:** This is important because once we know how many students there are, we can then directly calculate the number of students who took out loans. While the 86.3% refers only to 4-year Undergrad students, probably about the same percentage (or even more) of vocational/technical students must borrow, since there is typically less scholarship monies for vocational schools. So, let's be conservative and take 90% as the total number of students who must take out loans to go to institutions of Higher Education.

This table from the NCES (National Center for Education Statistics) gives the number of first-time freshmen enrolling in fall 2004 as 2,630,000. This includes both 2-year and 4-year colleges. 2004 is the most recent year for which these statistics are available from the NCES.

NCES: Digest of Education Statistics Tables and Figures

Sources: [http://nces.ed.gov/programs/digest/d05/tables/dt05\\_179.asp](http://nces.ed.gov/programs/digest/d05/tables/dt05_179.asp)



<http://answers.google.com/answers/threadview/id/771417.html>

citing: [http://nces.ed.gov/programs/digest/d05/tables/dt05\\_179.asp](http://nces.ed.gov/programs/digest/d05/tables/dt05_179.asp)

**Gordon's Comments:** This figure is important because it is a benchmark estimate of how many 'total' students enter college each year—inclusive of both 2-year (vocational/technical) and 4-year ('regular' bachelor degree) colleges & universities.

**Table 28. Actual and alternative projected numbers for bachelor's degrees, by sex of recipient: 1993–94 through 2018–19 [page 74]**

Actual (Total: Men and Women) 2006–07...1,524,092

Source: <http://nces.ed.gov/pubs2009/2009062.pdf>

**Gordon's Comments:** This figure is only for 4-year bachelor degree colleges, but it can be used to make sure the 'total' figure from Ed.gov above is reasonable. Let's see here: 1,524,092 is the actual number of bachelor's degree students who were in college in the 2006-07 school year, and this is a little bit less than the 'total' 2004 figure of 2,630,000 given by the Dept of Education, above. Thus, these figures seem to agree with one another and seem reasonable.

Data from The Institute for College Access and Success shows that the number of students who graduate with at least \$40,000 in student loans increased nine-fold between 1996 and 2008.

Sally Raskoff at Everyday Sociology offers some explanations for the data: (1) College has been getting more expensive; among other reasons, states cut education budgets. (2) For-profit colleges have also become a larger proportion of all colleges and students in these colleges are more likely to take out loans. (3) Given a bad economy, students are less likely to have jobs while in school. Other explanations? Stories?

Source: <http://thesocietypages.org/socimages/2010/05/23/number-of-college-students-owing-40000-in-school-loans-1996-2008/>

**Gordon's Comments:** This data shows a historic trend towards disaster, and it thus becomes useful in projections: We are in deep, deep dooky. (Note: While this is a little humour here with the colourful 'deep dooky' language, it is meant more to help remember a specific and important fact: Studies show that when a person becomes emotional—as you might become when you laugh out loud about the 'deep dooky' comment, he/she generally can retain long-term memory of items more easily. Other emotions thought to evoke this phenomenon, besides humour, are love, fear, and anger. So, this colourful language stays—in this official report: We are, economically-speaking, in deep dooky.-*Editor*

According to the National Center for Educational Statistics, 18.2 million students enrolled in college in 2007. Overall, around 39% of 18- to 24-year-olds were enrolled in college that year, and an additional 447,000 students were attending non-degree institutions of higher learning.

Sources: <http://howtoedu.org/college-facts/how-many-people-go-to-college-every-year/>

citing: <http://nces.ed.gov/fastfacts/display.asp?id=98>

**Gordon's Comments:** This shows total numbers of Higher Ed (college/university) students enrolled in a recent given school year, 2007 in this case: 18.2 Million college students and

0.447 Million "non-degree" institutions of higher ed total 18.647 Million in sum for 2007. **Analysis:** If there were 2,630,000 first-time freshmen enrolling in fall 2004 (Ed.gov figures) and 18,647,000 total students enrolled, that means that 1st-time freshmen constituted about 14.1%, or about 1-in-7 of all students. This is reasonable because, besides these freshmen, you have sophomores, juniors, seniors, masters, and doctoral students –as well as both vocational and non-degree-institution students. **THEREFORE**, all figures cited above seem to agree with one another, and thus they seem reasonable when looked at from any angle.

## **RESULTS:**

**Gordon's FINAL Comments:** Now, let's analyse these figures & see what (truth) we find...

- The U.S. Population was estimated to be 311,666,453 at any given time in the near past, present, or future.
- At any given time (in the same era: the near past, present, or future –thus the figures are comparable), there are about 18,647,000 total students enrolled in institutions of Higher Education.
- We estimate that about 90% of these students must take out loans to proceed with their education.
- The total number of students with student loans (about 90% of the total students enrolled at any given time) is about 16,782,300.
- Of the approximately 16,782,300 students with student loans, about some will eventually default, and we rely on earlier figures to estimate.
- Although a whopping 46.3 percent of federal loans distributed to students at for-profit colleges in 2008 are expected to eventually go into default, let's be conservative and remember that, when considering total figures, only about 41% of the borrowers faced the negative consequences of delinquency or default, and this is the 'relevant' figure since, for every borrower who defaults, there are at least two others who were also delinquent on their student loans, but successfully avoided default.
- Of the approximately 16,782,300 students with student loans, we can conservatively expect about 41% to default, and this is about 6,880,743 students total.
- The total number of students in America at any given time who will eventually go into default (6,880,743) represent only about 2.21% of the total U.S. Population (311,666,453), not near as many as the percentage of African American slaves (12.57%) in the total U.S. Population right before the American Civil War.

## • **CONCLUSIONS:**

- Therefore, since the percentage of oppressed students (*2.21% of total population –or 1-in-45 -a conservative estimate: the actual number is probably somewhat higher*) in debt slavery (or indentured servitude) is currently far less than that of the African American slaves during the Civil War era (*12.57% –or 1-in-8 -of total contemporary Civil War era U.S. population*), we can reasonably conclude that, absent massive news media pressure –or a miracle, we can not expect any change of the status quo whereby the banks and lenders cease and desist profiting off of students simply trying to better themselves and have a chance to get a job –students who have little choice but to go to college and pursue a higher education. Also, since African American slaves were treated worse, even than college students in default, then, we can not expect as much societal pressure to enact change on behalf of oppressed students. But, data from The Institute for College Access and Success shows that the number of students who graduate with at least \$40,000 in student loans increased nine-fold between 1996 and 2008, and this trend directly impacts upon suicide rates among distressed students: As the suicide rate (and other social injury & economy woes) directly attributable to distress from Student Loans going into default continues to rise (*as we might expect from these "nine-fold increase" trends –and worsening economy*), we might also expect the 2.21% figure for distressed "Student Loan" borrowers as a percentage of total U.S. Population to increase to 5% (1-in-20) in the near future. Furthermore, the 5% projected figure here only refers to distressed Student Loan borrowers, and does not include any other economically or socially oppressed class. The true numbers of oppressed Americans, when calculating totals from all social strata is easily 15% at present –the same percentage of oppressed African American slaves –and thus is it not untenable to expect social unrest and/or violence and/or an uptick in suicide rates and stress-related health problems in the near future. This projected social and financial unrest would reasonably (and hopefully) be expected to place more pressure to enact positive change on behalf of oppressed students and other oppressed classes of American citizens. – Calling it what it is: After at least partly eradicating racial oppression, we have now found a new class of slaves: economic slavery/oppression.

(personal notes: private email)

**Subject:** Interesting comparison between % of slaves & % of 'debt' slaves. Hmm...

**Alan:**

You've heard of 'Godwin's Law' (aka 'Godwin's Rule'), which states that as an online argument grows longer and more heated, it becomes increasingly likely that somebody will bring up Adolf Hitler or the Nazis. When such an event occurs, the person guilty of invoking Godwin's Law then \*supposedly\* forfeits the argument.

However, what I'm going to try and invent here is 'The Gordon Rule' (*no, not the one which requires students to write 3000 words in order to receive liberal studies credit, but rather*), a slavery analogue to the Godwin's Law, except in this case, I hope to win the argument.

I hypothesise that the percentage of slave-debt indentured servitude students viz-a-viz the total student population is approaching (or maybe has surpassed?) the percentage of African American slaves viz-a-viz the total population of that era... and, I think that we won't have a Student Loan Default 'revolution' until the total percentage of 'debt slaves' equal pretty close to the same percentage of African American slaves -at which time we had the 'American' revolution.

So, I'm compiling data --still not fully analysed yet, but here's the raw data --I've now got enough raw data now to actually study. -- Here's a copy for you, should you find it useful. -- See the attached -- or inline text below:

---

## [[39]] College tuition in the United States

From Wikipedia, the free encyclopedia

Jump to: [navigation](#), [search](#)

The term **college tuition** refers to fees that students have to pay to colleges in the [United States](#). Pay increases in the U.S. have caused chronic controversy since shortly after [World War II](#). Except for its military academies, the U.S. federal government does not directly support [higher education](#). Instead it has offered programs of loans and grants, dating back to the [Morrill Act](#) during the [U.S. Civil War](#) and the "[G.I. Bill](#)" programs implemented after [World War II](#). [Developed countries](#) whose national governments directly support [higher education](#) tend toward more moderate patterns of change in [college tuitions](#) and different forms of controversy.

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## Causes

### Bubble Theory

Main article: [Higher education bubble](#)

The view that higher education is a bubble is controversial. Most economists do not think the returns to college education are falling.<sup>[2]</sup> In a financial bubble, assets like houses are sometimes purchased with a view to reselling at a higher price, and this can produce rapidly escalating prices as people speculate on future prices. An end to the spiral can provoke abrupt selling of the assets, resulting in an abrupt collapse in price — the bursting of the bubble. Because the asset acquired through college attendance — a higher education — cannot be sold (only rented through wages), there is no similar mechanism that would cause an abrupt collapse in the value of existing degrees. For this reason, many people<sup>[who?]</sup> find this analogy misleading. However, one rebuttal to the claims that a bubble analogy is misleading is the observation that the 'bursting' of the bubble are the negative effects on students who incur student debt, for example, as the American Association of State Colleges and Universities reports that "Students are deeper in debt today than ever before...The trend of heavy debt burdens threatens to limit access to higher education, particularly for low-income and first-generation students, who tend to carry the heaviest debt burden. Federal student aid policy has steadily put resources into student loan programs rather than need-based grants (see graph), a trend that straps future generations with high debt burdens. Even students who receive federal grant aid are finding it more difficult to pay for college."<sup>[3]</sup>

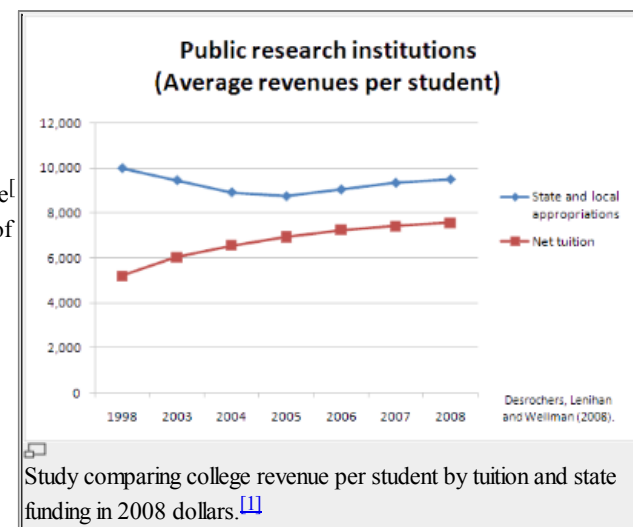
### Cost shifting and Privatization

See also: [Privatization](#) and [Private university](#)

One proposed cause of increased tuition is the reduction of state and federal appropriations to colleges thus making them [shift the cost](#) over to students in the form of higher tuition.<sup>[4][5]</sup> This has mostly applied to public universities which in 2011 for the first time have taken in more in tuition than in state funding<sup>[5]</sup> and had the greatest increases in tuition<sup>[1]</sup>. Implied from this shift away from public funding to tuition is privatization, although the New York Times reports such claims are exaggerated.<sup>[5]</sup>

### Student Loan

Another proposed cause of increased tuition is U.S. Congress' occasional raising of the 'loan limits' of student loans, in which the increased availability of students to take out deeper loans sends a message to colleges and universities that students can 'afford more,' and then, in response, institutions of higher education raise tuition to match, leaving the student back where he began, but deeper in debt. Therefore, if the students are able to afford a much higher amount than the [free market](#) would otherwise support for students without the ability to take out a loan, then the tuition is 'bid up' to the new, higher, level that the student can now afford with loan subsidies.<sup>[6]</sup> One rebuttal to that theory is the fact that even in years when loan limits have not risen, tuition has still continued to climb.<sup>[7][8]</sup> However, that may not disprove this proposed cause: It may simply mean that other factors besides 'loan limit' increases played a part in the increases in tuition.



## Lack of consumer protection

A third, novel, theory claims that the recent change in federal law removing all standard consumer protections (truth in lending, bankruptcy proceedings, statutes of limits, etc.) strips students of the ability to declare bankruptcy, and, in response, the lenders and colleges know that students, defenseless to declare bankruptcy, are on the hook for any amount that they borrow -including late fees and interest (which can be capitalized and increase the principal loan amount), thus removing the incentive to provide the student with a reasonable loan that he/she can pay back.<sup>[7][8]</sup> Under this theory, it would be more profitable for the lender if the student defaulted (due to the increases in the amount of the loan after fees and interest are capitalized), and thus there is no [free market](#) pressure-type motive for the lender or the college to help the student avoid default. This is especially true because the government, if it is the lender or guarantor of the loan, has the ability to garnish the borrower's wages, tax return, and Social Security Disability income without a court order.<sup>[9]</sup> Some have called the Federal Government 'predatory' for making loans which will have such a high default rate, since the default rate for Student Loans is projected to reach 46.3% of all federal loans disbursed to students at for-profit colleges in 2008.<sup>[10][11]</sup>

## Additional factors

Other factors<sup>[4]</sup> that have been implicated in increased tuition include the following:

- The practice of 'tuition discounting,' in which a college awards financial aid from its own funds. This assistance to low-income students by the college or university means that 'paying' students have to 'make up' for the difference: Increased tuition. This factor becomes more pronounced in modern times, since more students nowadays are going to college, which means that there are less State and Federal grant funds available per student.
- According to Mark Kantrowitz, a recognised expert in this area, "The most significant contributor to tuition increases at public and private colleges is the cost of instruction. It accounts for a quarter of the tuition increase at public colleges and a third of the increase at private colleges."
- Kantriwitz' study also found that "Complying with the increasing number of regulations – in particular, with the reporting requirements – adds to college costs," thus contributing to a rise in tuition to pay for these additional costs.

## Recommendations

**Based on the available data, a number of recommendations to address rising tuition have been advanced by both experts and consumer and students' rights advocates:**

• **Editor's Note:** Here is another suggestion: Tax the endowment income of universities, and link the endowment tax to tuition rates.  
*Source:* Willie, Matt (2013). "Taxing and Tuition: A Legislative Solution to Growing Endowments and the Rising Costs of a College Degree". (2/8/2013) Brigham Young University Law Review: 1667. Retrieved 19 July 2013. [http://lawreview.byu.edu/articles/1360684178\\_6\\_willie.fn.pdf](http://lawreview.byu.edu/articles/1360684178_6_willie.fn.pdf)

- Colleges and universities should look for ways to reduce costs of instructor and administrator expenditures (e.g., cut salaries and/or reduce staff).<sup>[12][13]</sup>
- State and Federal governments should increase appropriations, grants, and contracts to colleges and universities.<sup>[12][14][15]</sup>
- Federal, state, and local governments should reduce the regulatory burden on colleges and universities.<sup>[4]</sup>
- The Federal Government should enact partial or total loan forgiveness for students who have taken out student loans.<sup>[13][16][17][18]</sup>
- Federal Lawmakers should return standard consumer protections (truth in lending, bankruptcy proceedings, statutes of limitations, etc.) to Student Loans which were removed by the passage of the Bankruptcy Reform Act of 1994 (P.L. 103-394, enacted October 22, 1994), which amended the FFELP (Federal Family Education Loan Program).<sup>[13][19][20]</sup>
- Cut lender subsidies, decrease student reliance on loans to pay for college, and otherwise reduce the 'loan limits' to limit the amount a student may borrow.<sup>[13][21][22]</sup>
- Regulatory or legislative action to lower or freeze the tuition, such as [Canada's tuition freeze](#) model, should be enacted by federal lawmakers.<sup>[23]</sup>

• **Editor's note - Here is a little more info on the concept of a 'Tuition Freeze':**

- Potential downsides to tuition-freezing guarantees are evident, being offered are by only few dozen colleges. Under the guarantees, the student's tuition does not change for the extent of their education. Each

year's freshmen pay a higher rate, which is then guaranteed through their years in college. About 1 in 3 college students transfers to another school at some point. If tuition freezes become the default model for colleges, students would feel less able to change schools because they would be entering at a new, probably higher tuition.

Source: "Freezing tuition: It's not such a hot idea.". Los Angeles Times. July 06, 2012. <http://articles.latimes.com/2012/jul/06/opinion/la-ed-tuition-freeze-20120706>

## • Tuition freeze

From Wikipedia, the free encyclopedia

**Tuition freeze** is a government policy restricting the ability of administrators of post-secondary educational facilities (i.e. colleges and universities) to increase tuition fees for students. Although governments have various reasons for implementing such a policy, the main reason cited is improving accessibility for working- and middle-class students. A tuition fee freeze is a common political goal of the Canadian student movement, especially the Canadian Federation of Students.

A tuition freeze is largely a Canadian political construct, and would not accurately be applied to other countries that offer free post-secondary education. However, the practice of regulating the rates paid by consumers, a formal regulatory process known as Utility ratemaking, is carried out in many countries, including the United States, where many industries are classified as public utilities. Although the classification of public utilities has changed over time, typically such businesses must constitute a de facto monopoly (or "natural monopoly") for the services they provide within a particular jurisdiction. Since a monopoly (from Greek monos μ???? (alone or single) + polein p???e?? (to sell)) exists when a specific person or enterprise is the only supplier of a particular commodity, it can be argued that colleges are an enterprise, or group of businesses that have sole access to a market of higher education, as they are the only supplier of a college degree, and are thus comparable to the monopoly of a group electric companies, who are the sole supplier of electricity.

In Canada, where government regulation of college tuition is practiced, it is applied (currently) at the provincial level, as education (including post-secondary education) is a provincial responsibility under the division of powers between provincial and federal governments. Currently, the provinces of Manitoba, Saskatchewan, and Newfoundland have tuition fee freezes in place. The provinces of British Columbia, Quebec and Ontario have previously had tuition fee freezes.

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Source: [http://en.wikipedia.org/wiki/Tuition\\_freeze](http://en.wikipedia.org/wiki/Tuition_freeze)

- More research should be done: Recognised financial expert, Mark Kantrowitz, issued the following recommendations<sup>[4]</sup>.
  - "The National Center for Education Statistics should increase the frequency of the National Postsecondary Student Aid Study to annual, from triennial, in order to permit more timely tracking of the factors affecting tuition rate increases. Likewise, NCES (National Center for Education Statistics) should take steps to improve the efficiency of the data collection and publication for the Digest of Education Statistics, so that all tables will include more recent data. The most recent data listed in some tables is five years old."
  - "The US Department of Education should study the relationship between increases in average EFC (Expected Family Contribution) figures and average tuition rates. In addition, it would be worthwhile to examine how historical average EFC figures have changed relative to family income when measured on a current and constant dollar basis for each income quartile."

### • *Editor's note - Here is a little more info on how to address these problems head-on:*

- Other popular ways to address the rising tuition problems faced by students include the following:
  - \*\* completing your general education requirements at a community college, which is much cheaper than initially going to a community college;
  - \*\* obtaining scholarships and other financial aid; as well as;
  - \*\* looking for ways to pay in-state tuition.

Source: "Cutting College Costs" (2013) by Mark Kantrowitz: <http://www.finaid.org/questions/cuttingcollegecosts.phtml>

- Lastly, in order to cope with the rising cost of tuition, many students have started working part time.

Source: "How to Cope with Rising Tuition Costs" (2011) by Global Campus For Students: <http://www.gcstudent.org/how-to-cope-with-rising-tuition-costs>

- When it comes to getting a job after college, to further cope with the rising costs of tuition, some experts have suggested that the best move might be to get a job while in college.

Source: "How to Go to College Without Going Broke (and Yes, You Still Should)" (03 November 2011) by Bruce Watson of DailyFinance.com <http://www.dailyfinance.com/2011/11/03/how-to-go-to-college-without-going-broke-and-yes-you-still-sho>

- To facilitate these recommendations, some colleges help students in job searches and job placement after graduation.

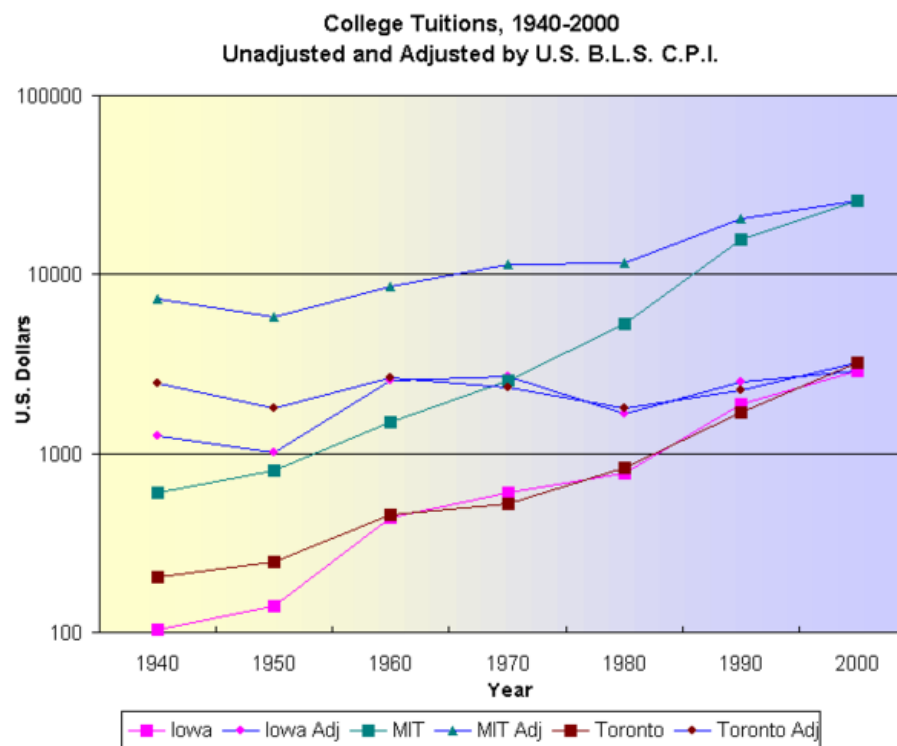
Source: "Top 10 Job Placement Colleges: INFORMATION AND TIPS ON INTERNSHIPS AND PAID INTERNSHIP" (2011) by CollegeTips.com <http://www.collegetips.com/college-money/college-job-placement.php>

Source: "Cutting College Costs" (2013) by Mark Kantrowitz: <http://www.finaid.org/questions/cuttingcollegcosts.phtml>

- Lastly, in order to offset the costs of tuition, some colleges help students in job searches and job placement after graduation.<sup>[24]</sup>

## Historical trends

The first chart compares standard [undergraduate](#) annual tuition and fees charged by major U.S. public, U.S. private and [Canadian](#) public 4-year college, showing both current [U.S. dollars](#) during the years from 1940 to 2000 and U.S. dollars adjusted to the year 2000 by using the U.S. [Consumer Price Index](#) series.<sup>[25][26][27]</sup>

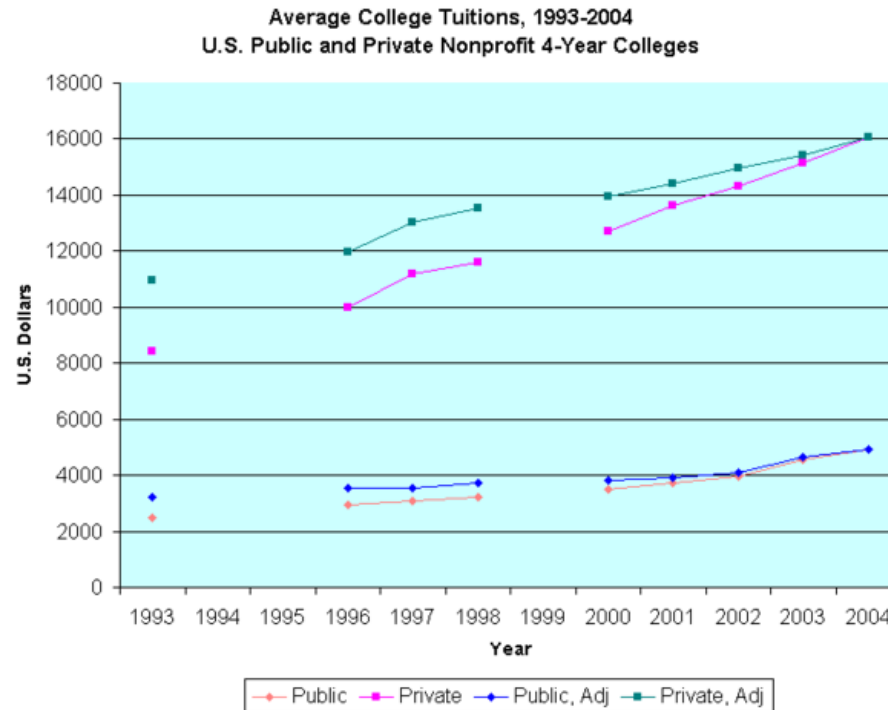


Tuition at the [University of Toronto](#) tracked close to inflation rates during the entire period.<sup>[28]</sup> The [University of Iowa](#) had rapid increases in tuition during the 1950s and then tracked close to inflation rates since that time.<sup>[29]</sup> The [Massachusetts Institute of Technology](#) (MIT), among the most expensive of the private U.S. educational institutions throughout the 20th century,<sup>[30]</sup> had continual large tuition increases, dipping slightly below inflation rates only during the World War II years.<sup>[31][32]</sup>

Over the 60-year period charted, the inflation-adjusted, long term, annual increases in tuition at these institutions were 0.4 percent for the University of Toronto, 1.4 percent for the University of Iowa, and 2.1 percent for MIT.<sup>[33]</sup> Other institutions in the same categories differ in details but not in general patterns.<sup>[34]</sup> The results of the trends are that over the 60 years shown, adjusted for inflation, the tuition at the University of Iowa increased by a factor of 2.3 and that at MIT by a factor of 3.6, while tuition at the University of Toronto rose only about 30 percent.<sup>[35]</sup>

## Recent trends

This chart compares average undergraduate tuition and fees charged by about 600 U.S. public and 1,350 U.S. private, non-profit 4-year colleges during years from 1993 through 2004.,<sup>[36]</sup> both unadjusted and adjusted to the year 2004 by using the U.S. [Consumer Price Index](#) series. Data were not available for years 1994, 1995 and 1999.



During the 11-year period charted, both public and private, nonprofit colleges regularly posted tuition increases well above inflation rates. Peak increases for private colleges were in 1997, after the U.S. economy began booming growth. Peak increases for public colleges were in 2003, after state budgets supporting most of them were crimped by a sharp economic recession. Over this period, annual, inflation-adjusted tuition increases at public colleges averaged 4.0 percent, while those at private, non-profit colleges averaged 3.5 percent. Cumulative results over this period are average public tuitions growing 53 percent above inflation, and average private, nonprofit tuitions growing 47 percent above inflation. As of 2004, private, nonprofit colleges cost on average 3.3 times as much as public colleges attended by residents of their states.

## Disproportional inflation of college costs

"Disproportional inflation" refers to inflation in a particular economic sector that is substantially greater than inflation in general costs of living. This kind of inflation for medical costs in recent decades is well known. However, that of college tuition and fees exceeds that of medical costs.

The following graph shows the inflation rates of general costs of living (for urban consumers; the CPI-U), medical costs (medical costs component of the [consumer price index](#) (CPI)), and college and tuition and fees for private four-year colleges (from [College Board](#) data) from 1978 to 2008. All rates are computed relative to 1978.

<sup>[37]</sup>

Cost of living increased roughly 3.25-fold during this time; medical costs inflated roughly 6-fold; but college



tuition and fees inflation approached 10-fold. Another way to say this is that whereas medical costs inflated at twice the rate of cost-of-living, college tuition and fees inflated at four times the rate of cost-of-living inflation. Thus, even after controlling for the effects of general inflation, 2008 college tuition and fees posed three times the burden as in 1978.

According to "College Board", the average tuition price for a 4-year public college in 2008-2009 is now \$6,585 compared to 2004 where the price was slightly above \$5,000. The average price of in-state tuition vs out-of-state tuition for 2008-2009 was \$6,585 for a in-state 4-year college to \$17,452 for out-of-state 4 year college (collegeboard.com).

## Economic and social concerns

### Economic concerns

Long-term price trends make higher education an especially inflationary sector of the U.S. economy, with tuition increases in recent years sometimes outpacing even explosive [health care](#) sectors.<sup>[38]</sup> These trends are sources of continuing controversy in the United States over costs of higher education<sup>[39]</sup> and their potential for limiting the country's achievements in democracy, fairness and social justice.<sup>[40]</sup>

Today, some companies offer tuition reimbursement to students.

### Social concerns

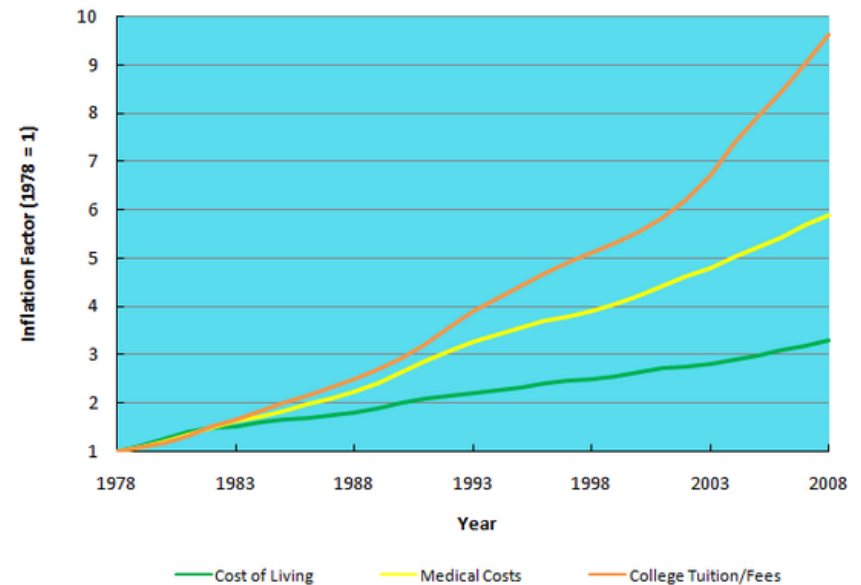
Besides economic effects of rapidly increasing debt burdens placed on students, social ramifications are felt. One of these is the increase in suicides directly attributable to the stress related to distressed and defaulted student loans.<sup>[41][42][43][44]</sup>

## Student loan debt

A closely related issue is the alarming increase in student borrowing to finance college education and resulting [student loan](#) debt. In the 2007-2008 National Postsecondary Student Aid Study (NPSAS), the median cumulative debt among graduating 4-year undergraduate students was \$19,999; one quarter borrowed \$30,526 or more, and one tenth borrowed \$44,668 or more.<sup>[45]</sup> In fact, for the first time in the history of America, 'Student Loan' debt has surpassed 'Credit Card' debt.<sup>[9]</sup>

Nevertheless, there is substantial evidence that students are still getting good value for their investment in an education.<sup>[citation needed]</sup> Since the mid-1980s, education has played a large part in potential wages,<sup>[citation needed]</sup> with bachelor's degree holders taking home an average of 38% more than those with only a high school diploma.<sup>[citation needed]</sup> While college-educated workers' wages have increased over the past two decades, those with only a high school education have seen decreases in annual salaries in the same time period.<sup>[46]</sup>

**Inflation of Tuition and Fees (Private 4-Year Colleges), Medical Costs, and Cost of Living, 1978-2008**



- \* There is also substantial evidence that students are not getting good value for their investment in an education. Some colleges and universities in the United States are now participating in grade inflation. -- <http://www.theatlanticwire.com/national/2011/07/chart-its-easier-ever-get-good-grades-college/39986>
  - \* Some economists believe that too many people attend college. -- <http://www.economist.com/blogs/freeexchange/2010/05/education>
  - \* Not all positions require an individual to obtain a college degree. College students who have acquired a burden of college debt often risk defaulting on their student loans which can lower the individual's credit score. -- <http://www.creditcards.com/credit-card-news/jeremy-simon-default-cosign-student-loan-credit-score-1508.php>
  - \* Some employers will be reluctant to hire an individual with bad credit. -- <http://articles.moneycentral.msn.com/Banking/YourCreditRating/how-bad-credit-can-cost-you-a-job.aspx>
  - \* Even though the U.S. spends more on education than most other developed countries, and the U.S. has a disproportionate share of the top-ranked universities in the world, America \*still\* has a low quality of Higher Education. -- <http://www.usnews.com/articles/education/worlds-best-universities/2010/09/21/worlds-best-universities-top-400-.html>
- [\*] "U.S. Teens Trail Peers Around World on Math-Science Test," Maria Glod, Washington Post, Dec 5, 2007; Page A07 <http://www.washingtonpost.com/wp-dyn/content/article/2007/12/04/AR2007120400730.html>
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- End of additional comments found in later versions of said article but not in the one so cited.--Editor*

The U.S. spends more on education than most other developed countries, and the U.S. has a disproportionate share of the top-ranked universities in the world.<sup>[47]</sup>

## See also

- [EdFund](#)
- [Free education](#)
- [Higher education bubble](#)
- [Higher Education Price Index](#)
- [Post-secondary education](#)
- [Private university](#)
- [Student benefit](#)
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- [Student loans in the United States](#)
- [Tuition agency](#)
- [Tuition center](#)
- [Tuition fees](#)
- [Tuition freeze](#)

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## External links

- "[College, Inc.](#)", PBS [FRONTLINE](#) documentary, May 4, 2010
- [U.S. Dept. of Education](#)

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# Higher education bubble

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The **higher education bubble** is a speculative [boom and bust](#) phenomenon in the field of [higher education](#). According to the theory, while college [tuition payments](#) are rising, the [rate of return](#) of a college degree is decreasing,<sup>[1]</sup> and the soundness of the [student loan](#) industry may be threatened by increasing default rates.<sup>[2]</sup> College students who fail to find [employment](#) at the level needed to pay back their loans in a reasonable amount of time have been compared to the debtors under [sub-prime mortgages](#) whose home are worth less than what is owed to the bank.<sup>[3]</sup>

In 1987, [U.S. Secretary of Education William Bennett](#) first suggested that the availability of loans may in fact be fueling an increase in tuition prices and an education bubble.<sup>[4]</sup> This "Bennett hypothesis" claims that readily available loans allow schools to increase tuition prices without regard to [demand elasticity](#). [College rankings](#) are partially driven by spending levels,<sup>[5]</sup> and higher tuition prices are correlated with increased public perceptions of [prestige](#).<sup>[6]</sup> Over the past thirty years, demand has increased as institutions improved facilities and provided more resources to students.<sup>[7]</sup> Additionally, schools tend to enroll fewer students as they improve student offerings and increase prices. This suggests that it is in schools' best interest to increase tuition prices as much as possible, so long as financial aid ensures an ability to pay on the part of students and parents.

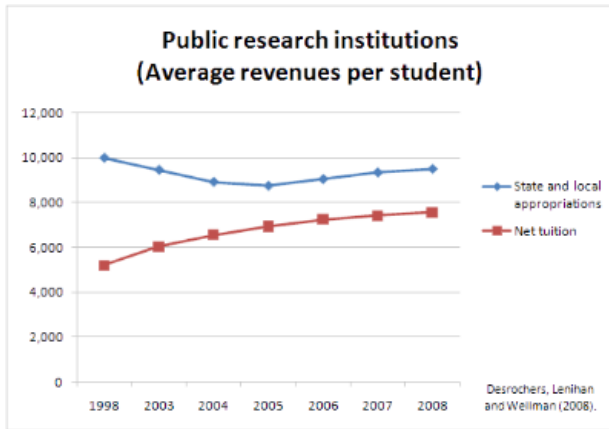
A 2009 article in *[The Chronicle of Higher Education](#)* related concern from parents wondering whether it is worth the price to send their children to college.<sup>[8]</sup> *[The Economist](#)* in turn hypothesized that the bubble bursting may make it harder for colleges to fill their classes, and that some building projects will come to a halt.<sup>[9]</sup> The *[Boston Herald](#)* further suggested the possibility of [mergers](#), closures and even bankruptcies of smaller colleges that have spent too much and taken on too much debt.<sup>[10]</sup> *[The National Review](#)* proposed that the bubble bursting may also bring down higher education prices.<sup>[11]</sup> [Glenn Reynolds](#) wrote in the *[Washington Examiner](#)* that those who have financed their educations with debt may be particularly hard-hit.<sup>[12]</sup>

Further speculation as to the higher education bubble was the focus of a series of articles in *[The Economist](#)* in 2011.<sup>[13]</sup>

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# Controversy



Study comparing college revenue per student by tuition and state funding in 2008 dollars. <sup>[14]</sup>

The view that higher education is a bubble is controversial. Most [economists](#) do not think the [returns](#) to college education are falling. <sup>[15]</sup> In a [financial bubble](#), assets like houses are sometimes purchased with a view to reselling at a higher price, and this can produce rapidly escalating prices as people speculate on future prices. An end to the spiral can provoke abrupt selling of the assets, resulting in an abrupt collapse in price — the bursting of the bubble. Because the asset acquired through college attendance — a higher education — cannot be sold (only rented through wages), there is no similar mechanism that would cause an abrupt collapse in the value of existing degrees. For this reason, many people <sup>[who?]</sup> find this analogy misleading. However, one rebuttal to the claims that a bubble analogy is misleading is the observation that the 'bursting' of the bubble are the negative effects on students who incur student debt, for example, as the [American Association of State Colleges and Universities](#) reports that "Students are deeper in debt today than ever before...The trend of heavy debt burdens threatens to limit access to higher education, particularly for low-income and first-generation students, who tend to carry the heaviest debt burden. Federal student aid policy has steadily put resources into student loan programs rather than need-based grants, a trend that straps future generations with high debt burdens. Even students who receive federal grant aid are finding it more difficult to pay for college." <sup>[16]</sup>

## Alternatives to bubble theory

A different proposal for the cause of rising tuition is the reduction of state and federal appropriations to colleges making them rely more on student tuition. Thus, it's not a bubble rather a form of [shifting costs](#) away from state and federal funding over to students. <sup>[17]</sup> This has mostly applied to public universities which in 2011 for the first time have taken in more in tuition than in state funding, <sup>[17]</sup> and had the greatest increases in tuition. <sup>[14]</sup> Implied from this shift away from public funding to tuition is [privatization](#), although [The New York Times](#) reported that such claims are exaggerated. <sup>[17]</sup>

Another proposed cause of increased tuition is [U.S. Congress'](#) occasional raising of the 'loan limits' of student loans, in which the increased availability of students to take out deeper loans sends a message to colleges and universities that students can afford more, and then, in response, institutions of higher education raise tuition to match, leaving the student back where he began, but deeper in debt. Therefore, if the students are able to afford a much higher amount than the [free market](#) would otherwise support for students without the ability to take out a loan, then the tuition is 'bid up' to the new, higher, level that the student can now afford with loan subsidies. <sup>[18]</sup> One rebuttal to that theory is the fact that even in years when loan limits have not risen, tuition has still continued to climb. <sup>[19][20]</sup> However, that may not disprove this proposed cause: It may simply mean that other factors besides 'loan limit' increases played a part in the increases in tuition.

A third, novel, theory claims that the recent change in federal law removing all standard consumer protections (truth in lending, bankruptcy proceedings, statutes of limits, etc.) strips students of the ability to declare bankruptcy, and, in response, the lenders and colleges know that students, defenseless to declare bankruptcy, are on the hook for any

amount that they borrow -including late fees and interest (which can be capitalized and increase the principal loan amount), thus removing the incentive to provide the student with a reasonable loan that he/she can pay back.<sup>[21][22]</sup> Under this theory, it would be more profitable for the lender if the student defaulted (due to the increases in the amount of the loan after fees and interest are capitalized), and thus there is no [free market](#) pressure-type motive for the lender or the college to help the student avoid default. This is especially true because the government, if it is the lender or guarantor of the loan, has the ability to garnish the borrower's wages, tax return, and Social Security Disability income without a court order.<sup>[23]</sup> Some have called the Federal Government 'predatory' for making loans which will have such a high default rate, since the default rate for Student Loans is projected to reach 46.3% of all federal loans disbursed to students at for-profit colleges in 2008.<sup>[24][25]</sup>

## Additional factors

Other factors<sup>[26]</sup> that have been implicated in increased tuition include the following:

- The practice of 'tuition discounting,' in which a college awards financial aid from its own funds. This assistance to low-income students by the college or university means that 'paying' students have to 'make up' for the difference: Increased tuition. This factor becomes more pronounced in modern times, since more students nowadays are going to college, which means that there are less State and Federal grant funds available per student.
- According to Mark Kantrowitz, a recognized expert in this area, "The most significant contributor to tuition increases at public and private colleges is the cost of instruction. It accounts for a quarter of the tuition increase at public colleges and a third of the increase at private colleges."
- Kantrowitz' study also found that "Complying with the increasing number of regulations – in particular, with the reporting requirements – adds to college costs," thus contributing to a rise in tuition to pay for these additional costs.

## Recommendations

**Based on the available data, a number of recommendations to address rising tuition have been advanced by both experts and consumer and students' rights advocates:**

• **Editor's Note:** Here is another suggestion: Tax the endowment income of universities, and link the endowment tax to tuition rates.  
*Source:* Willie, Matt (2013). "Taxing and Tuition: A Legislative Solution to Growing Endowments and the Rising Costs of a College Degree". (2/8/2013) Brigham Young University Law Review: 1667. Retrieved 19 July 2013. [http://lawreview.byu.edu/articles/1360684178\\_6\\_willie\\_fn.pdf](http://lawreview.byu.edu/articles/1360684178_6_willie_fn.pdf)

- Colleges and universities should look for ways to reduce costs of instructor and administrator expenditures (e.g., cut salaries and/or reduce staff).<sup>[27][28]</sup>
- State and Federal governments should increase appropriations, grants, and contracts to colleges and universities.<sup>[29][30][31]</sup>
- Federal, state, and local governments should reduce the regulatory burden on colleges and universities.<sup>[32]</sup>
- The Federal Government should enact partial or total loan forgiveness for students who have taken out student loans.<sup>[33][34][35][36]</sup>
- Federal Lawmakers should return standard consumer protections (truth in lending, bankruptcy proceedings, statutes of limitations, etc.) to Student Loans which were removed by the passage of the Bankruptcy Reform Act of 1994 (P.L. 103-394, enacted October 22, 1994), which amended the FFELP (Federal Family Education Loan Program).<sup>[37][38][39]</sup>
- Cut lender subsidies, decrease student reliance on loans to pay for college, and otherwise reduce the 'loan limits' to limit the amount a student may borrow.<sup>[40][41][42]</sup>
- Regulatory or legislative action to lower or freeze the tuition, such as [Canada's tuition freeze](#) model, should be enacted by federal lawmakers.<sup>[43]</sup>



• **Editor's note - Here is a little more info on the concept of a 'Tuition Freeze':**

• Potential downsides to tuition-freezing guarantees are evident, being offered by only a few dozen colleges. Under the guarantees, the student's tuition does not change for the extent of their education. Each year's freshmen pay a higher rate, which is then guaranteed through their years in college. About 1 in 3 college students transfers to another school at some point. If tuition freezes become the default model for colleges, students would feel less able to change schools because they would be entering at a new, probably higher tuition.

Source: "Freezing tuition: It's not such a hot idea.". Los Angeles Times. July 06, 2012. <http://articles.latimes.com/2012/jul/06/opinion/la-ed-tuition-freeze-20120706>

• **Tuition freeze**

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**Tuition freeze** is a government policy restricting the ability of administrators of post-secondary educational facilities (i.e. colleges and universities) to increase tuition fees for students. Although governments have various reasons for implementing such a policy, the main reason cited is improving accessibility for working- and middle-class students. A tuition fee freeze is a common political goal of the Canadian student movement, especially the Canadian Federation of Students.

A tuition freeze is largely a Canadian political construct, and would not accurately be applied to other countries that offer free post-secondary education. However, the practice of regulating the rates paid by consumers, a formal regulatory process known as Utility ratemaking, is carried out in many countries, including the United States, where many industries are classified as public utilities. Although the classification of public utilities has changed over time, typically such businesses must constitute a de facto monopoly (or "natural monopoly") for the services they provide within a particular jurisdiction. Since a monopoly (from Greek monos μονός (alone or single) + polein πωλεῖν (to sell)) exists when a specific person or enterprise is the only supplier of a particular commodity, it can be argued that colleges are an enterprise, or group of businesses that have sole access to a market of higher education, as they are the only supplier of a college degree, and are thus comparable to the monopoly of a group of electric companies, who are the sole supplier of electricity.

In Canada, where government regulation of college tuition is practiced, it is applied (currently) at the provincial level, as education (including post-secondary education) is a provincial responsibility under the division of powers between provincial and federal governments. Currently, the provinces of Manitoba, Saskatchewan, and Newfoundland have tuition fee freezes in place. The provinces of British Columbia, Quebec and Ontario have previously had tuition fee freezes.

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Source: [http://en.wikipedia.org/wiki/Tuition\\_freeze](http://en.wikipedia.org/wiki/Tuition_freeze)

- More research should be done: Recognized financial expert, Mark Kantrowitz, issued the following recommendations<sup>[44]</sup>:
  - "The National Center for Education Statistics should increase the frequency of the National Postsecondary Student Aid Study to annual, from triennial, in order to permit more timely tracking of the factors affecting tuition rate increases. Likewise, NCEES (National Center for Education Statistics) should take steps to improve the efficiency of the data collection and publication for the Digest of Education Statistics, so that all tables will include more recent data. The most recent data listed in some tables is five years old."
  - "The US Department of Education should study the relationship between increases in average EFC (Expected Family Contribution) figures and average tuition rates. In addition, it would be worthwhile to examine how historical average EFC figures have changed relative to family income when measured on a current and constant dollar basis for each income quartile."

• **Editor's note - Here is a little more info on how to address these problems head-on:**

- Other popular ways to address the rising tuition problems faced by students include the following:
  - \*\* completing your general education requirements at a community college, which is much cheaper than initially going to a community college;
  - \*\* obtaining scholarships and other financial aid; as well as:
  - \*\* looking for ways to pay in-state tuition.

Source: "Cutting College Costs" (2013) by Mark Kantrowitz: <http://www.finaid.org/questions/cuttingcollegecosts.phtml>

- Lastly, in order to cope with the rising cost of tuition, many students have started working part time.

Source: "How to Cope with Rising Tuition Costs" (2011) by Global Campus For Students: <http://www.gcstudent.org/how-to-cope-with-rising-tuition-costs>

- When it comes to getting a job after college, to further cope with the rising costs of tuition, some experts have suggested that the best move might be to get a job while in college.

Source: "How to Go to College Without Going Broke (and Yes, You Still Should)" (03 November 2011) by Bruce Watson of DailyFinance.com <http://www.dailyfinance.com/2011/11/03/how-to-go-to-college-without-going-broke-and-yes-you-still-sho>

- To facilitate these recommendations, some colleges help students in job searches and job placement after graduation.

Source: "Top 10 Job Placement Colleges: INFORMATION AND TIPS ON INTERNSHIPS AND PAID INTERNSHIP" (2011) by CollegeTips.com <http://www.collegetips.com/college-money/college-job-placement.php>

Source: "Cutting College Costs" (2013) by Mark Kantrowitz: <http://www.finaid.org/questions/cuttingcollegecosts.phtml>

- Lastly, in order to offset the costs of tuition, some colleges help students in job searches and job placement after graduation.<sup>[45]</sup>

## See also

- [College tuition in the United States](#)
- [EdFund](#)
- [Free education](#)
- [Higher education](#)
- [Higher Education Price Index](#)
- [Post-secondary education](#)
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- [Student loans in the United States](#)
- [Tuition agency](#)
- [Tuition center](#)
- [Tuition fees](#)
- [Tuition freeze](#)

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## External links

- "[College, Inc.](#)", PBS [FRONTLINE](#) documentary, May 4, 2010
- [U.S. Dept. of Education](#)



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**[[40]]** "The level of the fees [in the Hanseatic City State of Hamburg, Germany] was lowered to EUR375 and payment was only due after graduating, and only if graduates were earning a pre-tax annual salary in excess of EUR30,000 (US\$41,000)."

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### Crippling debts make it difficult for graduates to achieve dreams

**Special to The Register: By Sophie Kinsella - Mon. 09-16-2013**

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It's quite surprising to see that almost two-thirds of the students from all the colleges and universities in America graduate with some amount of debt to pay off. The Institute for College Access and Success or the TICAS has found through its Project on Student Debt that an average borrower will finish his or her college with almost \$26,000 debt to pay off. Every one out of 10 graduates end up accumulating more than \$40,000 in student loan debt. To be very frank this isn't only surprising, this is actually a scary situation for the students who desire to go for higher education without much of monetary support. There are clear chances that the student loan debts will cripple the dreams of the graduates.

#### The story of a graduate who faced the onslaught of debts:

Just a year back, Karen Burger graduated from the Northeastern University. Just like any other fresh graduate, she was raring to go and have a bright career. Her aim was to work at some faith-based nonprofit organization. Apart from the dreams, she also had \$96,000 student loan debt which she accumulated to support her five years of college. Debts came creeping in her life right after she graduated. Her career plans were crushed. To [get out of debt](#) and the interest rate, she had to immediately opt for a teller's job at TD Bank. Later, she had to reach out to an Army recruiter to break free the shackles of her student loan debt. "I would never have considered it if it weren't for the loans," Burger ruefully said.

*You must be wondering why this story?* Well, just like Karen, there are millions of other students who're struggling to cope up with their debts and dreams at the same time. As per the survey of Consumer Financial Protection Bureau, the numbers of students like Karen are only increasing with each passing year. Just 3 years back in 2010, the overall student debt was around \$826 billion. Currently, the amount is almost \$1.2 trillion. There is a whopping 45% increase. Now, you can imagine how demanding the situation is for the students who borrow to pay for higher education. A huge section of students ultimately end up losing their dreams.

#### Students need to get out of it

In such a circumstance, the major question that arises is whether any solution is there for the troubled students or not. Quite unfortunately, there is no straight answer for this. It all depends on how a student manages the debt. The president of TICAS, Lauren Asher, suggests that it's safer to take out government backed loans to finance higher education. It's even convenient enough to pay off Federal student loans. Asher feels, "Half of those taking out private loans have not maxed out on federal loans." Quite clearly, she doesn't support students' dependence on private student loans.

Asher also explains the benefits that federal student loans provide. According to her, "Federal loans are subject to income-based payback, fixed interest rates, and take nine months to default on, making them a much safer loan for students to take". She disapproves private student loans for ruining a student's credit history. "Any ding in credit rating can affect [a borrower] more now than ever, even employment," explained Asher.

What Asher wants to point is clear enough, but there is hardly any assurance that only Federal student loans will be able to save graduates from sacrificing their career and dreams. [Getting out of debt](#) is unfortunately not that easy a task. Not only debt, but there are increasing educational costs and unemployment also to aggravate the problems. However, as TICAS focuses on, students need to be informed properly about consolidating debts. Whether federal or private, students must know all the details about probable repayment options before taking out a loan. Only by selecting the right repayment option can students do away with their debts and save their dreams ultimately.

*Editor's Note: The Register is not affiliated with the [Oak View Law Group](#), linked in Ms. Kinsella's guest Op-Ed, above, and does not receive any remuneration. The views expressed are not necessarily those of The Register or its employees. However, that said, after reviewing her Op-Ed for grammar and accuracy, the claims she makes seem to be correct -or at least, very close, with regards to the numerical analyses she provides. Nonetheless, we wish to disagree with one small claim above: Where she says that "unfortunately, there is no straight answer for this [crippling debt*

problem]," we wish to point out that The Register has previously published a detailed analysis, complete with proposed solutions which, although very politically-difficult (and sometimes even painful) to implement, are indeed straightforward, and said proposed solutions to lawmakers (and other governmental officials) are cross-posted to 4 mirrors:

\* [GordonWatts.com/Higher-Ed-Tuition-Costs.html](http://GordonWatts.com/Higher-Ed-Tuition-Costs.html)

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\* [ThirstForJustice.net/Higher-Ed-Tuition-Costs.html](http://ThirstForJustice.net/Higher-Ed-Tuition-Costs.html)

\* [Gordon\\_Watts.Tripod.com/Higher-Ed-Tuition-Costs.html](http://Gordon_Watts.Tripod.com/Higher-Ed-Tuition-Costs.html)

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