

Macias, Wendy

From: [REDACTED]
Sent: Tuesday, June 16, 2009 9:20 AM
To: negreg09
Subject: Higher Education

Dear Department of Education,

I am writing because I believe serious changes are needed in the way student loans are administered.

The federal government should not encourage young people to attend college if this involves borrowing money on the premise that doing so will allow them to find a good job, and then subject them to onerous collection practices when this premise turns out to be false. If we accept the argument that students are to blame if they complete degrees and yet cannot find work, why does the federal government guarantee these loans and enforce punitive collection practices? If education is just a market like any other, as lobbyists for student-loan companies argue, why not return standard consumer protections to it? Despite the arguments of self-interested parties making vast incomes from this exploitative system, the debt incurred in obtaining college degrees is in no way any guarantee of future employment or career success, and what's worse, the current laws governing student loans force students to pay back money regardless of whether the loan was a fair bargain or not.

In other words, the current student loan system is like a vast casino in which children are induced, under threats of financial misery and duress, to bet their futures on the possibility that a college degree has any meaning whatsoever in obtaining a paying job. In cases when the education turns out to be financially worthless, the federal government puts itself in the role of the enforcer who breaks kneecaps to collect money for the bookies in the student-loan industry.

The absence of standard consumer protections for student loans, such as bankruptcy and statute of limitations, results in crushing debt burdens that pursue many college graduates for decades. In my own case, I accumulated student debt during graduate school as a way of coping with medical costs and to pay the steeply rising rents I faced in the late '90s housing boom, when my stipend as a graduate teaching assistant left me hovering around the federal poverty threshold. In any case, I believed that the level of debt I incurred was appropriate for the type of work I wanted to do, which was to teach at the secondary or college level. But despite my best efforts, and what I believe are strong qualifications, I have not found steady employment in my chosen field. I got my PhD in French from Boston University, where the French department was recently #1 in the nation according to the rankings published by the Chronicle of Higher Education. Despite this, not only did I find myself working for a temporary agency a year after graduating, but when I finally found a job here in the library at Harvard, it was for a starting annual salary of \$28,000. At the moment I work a second job teaching at BU, and if I don't get laid off here at Harvard this year (a very big "if") this would bring my total combined salary above \$40,000 for the first time. Actually at this level of income I feel comparatively wealthy, so if my present arrangement were sustainable it wouldn't be a complete disaster. But even so, assuming the best-case scenario, this level of income will not allow me to escape the burden of my loan debt, and worse still, it prevents me from doing more valuable things with my time, like research and publishing. I like to think I maintain a pretty good publishing record for someone without a real academic post. But working 50+ hour weeks is a significant obstacle.

In effect, loan debt works to silence me, while those without a similar debt are free to pursue publications without hindrance (one perverse effect of the loan-debt system is that those without debt are much freer to speak out in academic or public media). What's really disturbing to me isn't just living in a kind of permanently precarious, semi-impooverished condition. I would accept that with some equanimity if the poverty afforded me the chance to

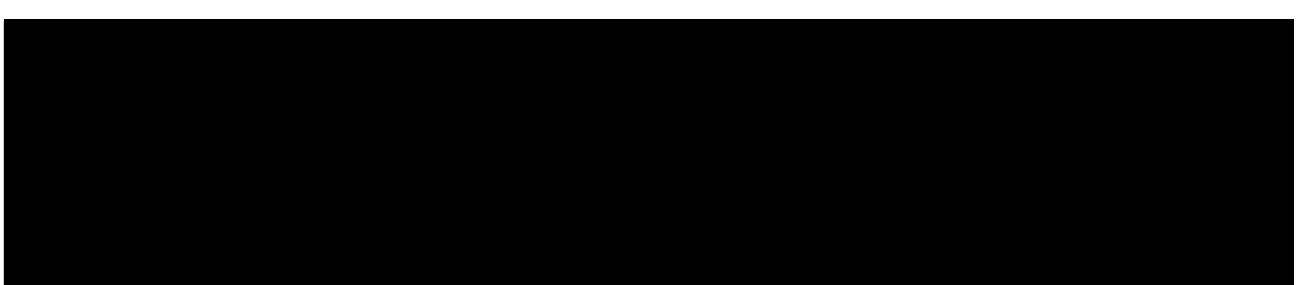
freely work in the areas I've chosen to pursue as my profession. The problem is that I find myself rushing meaninglessly from one job to another, trying to make enough money to service the loan, and that in the meantime what I really wanted to do with my life falls by the wayside.

But my own situation is not the most glaring example of the unfair racket that federal student loan practices have authorized in our colleges and universities. I worry most about the students I teach, who may in some cases be taking out vast loans in order to finance an education that is not worth a penny in future earnings. It makes me feel guilty every time I walk into the classroom, and it's certainly not because the money my students are borrowing is somehow winding up in my own pockets. Like most adjunct faculty, the money I make teaching is just a few thousand dollars per course -- enough to make a meager living only if I were able to teach a crushingly large load of classes per year. Yet my students are paying \$40,000 a year in tuition and fees.

Investigative journalists have recently shown that the vast majority of the increases in tuition in recent decades have gone to pay for administrative costs, while the percentage paid to teachers has barely increased. The notion students are paying massive tuitions in order to obtain better "education" is simply a lie. The increases in tuition are exclusively a matter of vastly increased salaries for university administrators whose sole importance lies in obtaining money for the university. In other words, students are paying larger and larger sums of money exclusively to support the larger and larger salaries of those charged with the mission of obtaining money from them and from the student loan industry that finances the whole racket.

Just as in the subprime lending debacle, university degrees are being sold to borrowers who have no chance of repaying the usurious loans they are offered. Like unwary home buyers, students have been told they will be able to re-sell their degrees at a higher price, later, in order to repay or refinance the usurious loans. The federal government is directly endorsing this corrupt system, to the serious detriment of millions of unwitting young people, whose lives are often destroyed in loan companies' and universities' deceitful and immoral pursuit of profit. The federal government must cease endorsing this speculative bubble in education.

Sincerely,

A solid black rectangular redaction box covering the signature area.