



## **A Lesson in Freedoms – 4th of July 2011: The Register Makes New Findings on an Old Problem**

*The Register publishes very controversial study comparing Civil War era slavery with Student Loan default – but justifies this study due to recent alarmingly sharp increases in suicides directly related to Student Loan default: Those who do not learn from history (Civil War) are doomed to repeat it (modern-day oppressions: indentured servitude, debt-slavery, suicides, etc.)*

Lakeland, FL ([PRWEB](#)) July 04, 2011 -- UPDATE: Monday, July 11, 2011 -- After a full week of peer review of this position paper by peoples of all colours, The Register has concluded that this controversial paper was not offensive to Black Americans -or peoples of any colours -and, to verify this claim, has released a small portion of this peer review. To see a screen shot that lengthy discussion, please click on the 3rd attachment contained herein.--Editor, Gordon Wayne Watts.

Gordon Wayne Watts, editor-in-chief of the Lakeland, Florida based paper, The Register, has researched the growing Student Loan crisis in America, as it touches the dramatic rise in student loan defaults, the resulting spike in suicides directly attributable stress from debt stress among students, and the skyrocketing college tuition phenomenon, in which rise in college tuition has been increasing at a rate much faster than the rate of inflation -even as the quality of American education continues to plummet. Sources documenting all these claims appear at the bottom of this release -and in the research paper just published at the links below.

Fox Business News recently reported that 'Student Loan' debt surpassed 'Credit Card' debt for the first time in the history of our nation (“Student Loan Debt Surpasses Credit Card Debt-What to Do?,” By Howard Dvorkin; Published September 21, 2010), even though Student Loans are the only type of loan in the world that can not be discharged through bankruptcy proceedings –not even if the borrower becomes 'Social Security' disabled or dies. According to Lisa Wade of TheSocietyPages.org (Pub. May 23, 2010, at 10:43 am), The Institute for College Access and Success has also recently reported that the number of students who graduate with at least \$40,000 in student loans increased nine-fold (e.g., 900%) between 1996 & 2008.

\* 'Red' Blood of suicides celebrates the 'Red White & Blue' Holiday 2011

Numerous sources cited at the bottom of this release -and in Watts' research paper linked below, document that suicides directly related to stress from student loan defaults have risen dramatically in recent years, showing that this phenomenon is not just an abstract 'economy problem' on paper.

This 4th of July weekend 2011, we celebrate our 235th year of a Nation of Freedom, but like in past times, of oppressions against Native Peoples, Blacks, and Women, our Freedoms are not free –and Watts' study makes the argument that as past oppressions were abolished, oppressors sought new victims in students who must take out loans to pay for the steep cost of college education.

Legislation to reinstate bankruptcy protections to 'private' student loans, which are ineligible for either deferments or 'income sensitive' Federal repayment plans, was reintroduced in both the House and Senate on May 26, 2011:

S.B. 1102: Fairness for Struggling Students Act of 2011  
and



## H.R. 2028: Private Student Loan Bankruptcy Fairness Act of 2011

According to Mr. Watts, Republicans have historically recognized that bankruptcy protections are an essential element to a healthy, functioning Free Market system of Capitalism, and even the most conservative economists and scholars have agreed that removal of bankruptcy protections and other Free Market checks and balances has been a major factor in the recent economic downturn. Contrary to most political stereotypes, however, the Democrats are taking the lead in supporting this and other legislation aimed at restoring Free Market checks and balances to oppose the distortion on the market price of American higher education that has caused a sharp increase in tuition in recent decades.

Mr. Watts points out in his study that, in the past, colleges, universities, and lenders knew that Federal Law provided students the ability to obtain bankruptcy discharge of distressed loans, and therefore, they had motive to not overcharge the students – because Free Market pressure was present to keep the price of college tuition reasonable.

Watts' study makes that argument that with recent removal of the standard consumer protections (Federal bankruptcy discharge, truth in lending, etc.) colleges, universities, & lenders of Student Loans have no motive or other Free Market pressures to help students avoid late fees which result from defaulted or distressed loans, especially as the government may, by law, garnish wages and Social Security disability & retirement in Federal Loans –and end up receiving much more than the original loan principal when late fees & interests are added in –a financial motive to allow students to default and push up the loan after capitalization of interest and fees.

An additional factor in the skyrocketing tuition that Watts claims has affected the price of tuition is the creation of 'student aide' (loans, grants, Federal guarantee of loans, etc.) – When colleges knew students could obtain “deep pocket” loans, they simply raised the tuition to match, and the student was back where he began –but deeper in debt: Thus, 'Student Aid' did not benefit the student, but rather, effectively became college administrator aid. Since, as many mainstream media have reported, American higher education is falling behind other nations, 'quality' can not be used to justify alarming increases in college tuition.

Project Student Debt has recently reported that a broad coalition of citizens is calling for the return on standard consumer protections (bankruptcy discharge, truth in lending, etc.) for Student Loans:

[http://ProjectonStudentDebt.org/files/pub/2011\\_Bankruptcy\\_Coalition\\_Letter\\_to\\_Cohen\\_FINAL.pdf](http://ProjectonStudentDebt.org/files/pub/2011_Bankruptcy_Coalition_Letter_to_Cohen_FINAL.pdf)

As well, Student Loan Justice has made a well-documented case for the return of standard consumer protections to Student Loans: <http://StudentLoanJustice.org/argument.htm>

Some organizations (such as ForgiveStudentLoanDebt.com run by New York based lawyer, Robert Applebaum) are going as far as seeking complete forgiveness of Student Loan Debt (a bailout, as some have called it), with the argument that it will free purchasing power of students, thus stimulating the economy:

Gordon Wayne Watts, of Lakeland, Florida, the editor-in-chief of The Register, joins this call for legislation that would restore standard consumer protections (bankruptcy proceedings, truth in lending, etc.) to Student Loans –as well as additional and unique legislation rescinding the use of tax dollars for Higher Education loans or grants. The specific legislation Watts proposes to address the growing Higher Ed crisis is listed in the research paper at the links below. Mr. Watts' controversial study is included at the last reference [source number 38] in this well-documented position paper:



(Mirror 1) <http://GordonWatts.com/Higher-Ed-Tuition-Costs.html>

(Mirror 2) <http://GordonWayneWatts.com/Higher-Ed-Tuition-Costs.html>

Watts' study documents that 1950's, students could work over the summer in part-time jobs to save money for a whole school year –and did not need any 'Financial Aid,' neither grants nor Student Loans –and as American colleges and Universities of that era lived within their means, they were the top colleges in the world –making his case that influx of tax dollars has distorted 'Free Market' and enabled tuition to rise at a rate much faster than inflation –as well as cost tax-payers for this spending.

Selected Prior Press Releases:

<http://www.prweb.com/releases/2005/02/prweb212613.htm>

<http://www.rense.com/general63/shc.htm>

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Sources documenting alarming rise in suicide directly related solely to Student Loan defaults:

[\*] “Crushing debt” (Chicago Sun-Times, BY DAVENEWBART) 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 (StudentLoanJustice.org), 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)

[\*] “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>

[\*] "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>

For a religious view on finance & debt, accepted by many pastors, such as Lozer, see note "36" in Watts' position paper, regarding various Bible standards on interest fee charges and loan forgiveness options.

[\*] “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>



The preceding press release was written by Gordon Wayne Watts of Lakeland, Florida, who 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[1], which lost 4-3 in the Florida Supreme Court, arguably doing better than even then Governor Jeb Bush's similar suit[2] (lost: 7-0) or Terri Schiavo's own family's federal case[3] (lost: 2-1). Mr. Watts, who ran unsuccessfully for Dist. 64 Fla. House of Representatives, is a part-time political activist while he searches for a full-time job in his field.

Sources:

1. In Re: GORDON WAYNEWATTS(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>

2. 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>

3. 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>

Contact: Gordon Wayne Watts  
Editor-in-Chief, The Register

821 Alicia Road  
Lakeland, FL  
33801

Gww1210(at)aol(dot)com or:  
Gww12102002(at)yahoo(dot)com  
(863) 688-9880 (main) ---  
(863) 513-2196 (temporary cell: Emergencies, after hours, or if unavailable at main number)

GordonWatts.com  
GordonWayneWatts.com

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**Contact Information**

**Gordon Watts**

THE REGISTER, NON-PROFIT WEBPAPER

(863) 688-9880

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