



Occupy Wall Street's Latest Plan: Refuse to Repay Student Loan Debt

Occupy Wall Street's latest grievance centers on student loan programs and higher education reform, and the group's most recent campaign involves a movement-wide boycott on student loan debt repayment. Early Monday afternoon, a crowd of faculty and student organizers assembled at the southeast corner of New York City's Zuccotti Park to announce Occupy Student Debt, a national initiative directed at recruiting student loan borrowers and requesting that they willfully default on their loan payments. The campaign consists of three pledges:



1. A refusal to make loan payments. This pledge will take effect after a million debtors have signed on to the campaign.
2. A faculty pledge of support for the "refusers."
3. A general, non-debtors' pledge of support for parents, the students and other public sympathizers.

"Since the first days of the Occupy movement, the agony of student debt has been a constant refrain," New York University professor Andrew Ross [announced](#) to a crowd of more than 100 people. "We've heard the harrowing personal testimony about the suffering and humiliation of people who believe their debts will be unpayable in their lifetime."

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Chronicled on the movement's unofficial ["We Are the 99 Percent"](#) Tumblr blog, recent graduates hold handwritten signs detailing their personal stories on student loan debt, with signs with statements such as, "I have \$50,000 in student loan debt and my B.A. is useless." In response to rising tuition costs, and driven by the movement's virulent disdain for profitable institutions, OWS protesters plan to [accomplish](#) the following goal:

Under the campaign — which grew from the original Occupy Wall Street protest and is now known, inevitably, as Occupy Student Debt — borrowers will pledge to stop repaying their student loans once 1 million people vow to do so as well. The campaign is calling for several reforms of higher education, including free public colleges, no-interest loans, greater transparency at private and for-profit colleges and complete forgiveness of all existing student debt.

The strategy behind the campaign is that if one million students refuse to pay back their student loan debt, the group will suffer minimal consequences due to safety in numbers. But also incorporated in the student-debt refusal pledge is a willingness to help draw attention to the progressive rise in tuition costs, and the calamitous effect such inflationary maneuvers have had on student debt loads.

However, even supporters of the movement perceive the protesters' demands as too far-reaching, as it



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is highly unlikely that there will be free public colleges and that all private universities will disclose their internal finances. Moreover, the repercussions for defaulting on student loan debt are not inconsequential. Anya Kamenetz, author of *Generation Debt* and *The Edupunks' Guide*, warns borrowers of the consequences of defaulting on their loans, which can involve wage and tax refund garnishments and other penalizing tactics.

Further, Kamenetz is skeptical that the Occupy Student Debt campaign will garner much support from the student graduate population. "As an organizing tactic, mass default is a little bit difficult to get mainstream America to embrace, since there's this very strong moral and ethical belief that people don't walk away from loans they voluntarily assumed," asserted Kamenetz, who has researched and written on the subject of student loan debt for several years. "There's this deep, pervading sense that since I had to pay off my loans, you should have to pay off your loans, too."

Besides the formidable challenge of amassing widespread public support — particularly as violence and destructive behavior have showered the movement with negative sentiments — are the abiding ramifications of student loan defaulting. "Defaulting is considered a financial felony that will continue to haunt you," asserted Carl Van Horn, a public policy professor at Rutgers University. "Student loans are not something you can easily walk away from, and defaulting is hardly the same thing as missing a credit card payment. It really is a black mark."

But this inevitable notion has not stopped college graduates and university faculty from hawking their anti-student loan agenda, as Thomas Gokey, an adjunct professor at Syracuse University and participant in Monday's announcement, says it is not uncommon for Syracuse students to amass upwards of \$200,000 in debt come graduation time. "There's been a lot of talk around student debt, but not a lot of action," averred Ross. "Even in the best of times, it was a very heavy burden to carry for decades. But now, with chronic unemployment, it's morally unsustainable."

Ashley Dawson, an associate professor at the City University of New York and proponent of the new OWS initiative, says she sees many of her students working "not only one but two jobs just to afford our relatively reasonable tuition rates." "For students faced with debt, this campaign is important because it will help provide them with a collective organizing vehicle," alleged Dawson, a member of the OWS Empowerment and Education working group. "We're aiming to galvanize sweeping political change."

However, the professors and OWS organizers have neglected to identify the actual cause of rising tuition costs, but instead demonize private universities for leeching off of young high school graduates who are seeking college degrees. Similar to the third-party-payer system which bridles American healthcare, government has played an increasing role in subsidizing tuition costs, as students are amassing bulky government loans to finance their education.

Such a system discourages high school graduates from pursuing the most competitively-priced institutions, as many students choose schools charging \$30,000 per year in tuition costs, with the anticipation that they will land high-paying jobs come graduation. This of course allows higher learning institutions to charge enormous tuition rates, and thanks to federal interference which has distorted the education market, colleges and universities get off scot-free.

The government's devious act of manipulating the higher education market, coupled with a Federal Reserve system which is brewing an inflationary hailstorm, is the origin of the problem, as Texas Congressman and GOP presidential candidate Ron Paul [wrote](#) in October regarding his "Restore America" budget plan:



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Like housing and medicine, education costs went through the roof when government became involved. In the last three decades, the overall inflation rate has increased more than 100%, which means we basically pay double now for everything we buy. This price inflation is an inevitable consequence of printing money out of thin air and devaluing our dollar. But compare this inflation to the rise in the cost of college tuition, which has increased almost 500% in the same amount of time.

This is what happens when we print money out of thin air and couple it with government intervention in education.



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