NSDA Public Forum Debate (Nov-Dec 2023)
Topic: Student Loan Forgiveness

PROS & CONS OF STUDENT LOAN FORGIVENESS (ARGUMENTS, ver. 11.09)

INTRODUCTION (First Speakers)

[First Speech: 4 min]

Hello, my name is… _____ .

Today, we will discuss: Student Loan Debt Forgiveness.

My partner and I believe that "Loan Forgiveness" is… [Desirable / Undesirable].

To begin, let's discuss… _____ .

[Summary Speech: 3 min]

In this speech, I will **defend** each of my team's arguments.

Optional: But first, let's discuss the framework.

The first argument I will **defend** is… _____ .

THE FRAMEWORK (Both Sides)

[Keywords]
According to... Investopedia, September 21, 2023
"Student debt is money borrowed by individuals to cover the cost of education."
So... student debt 'forgiveness' would mean not having to repay the loan.

[Value]
Our value is… **Quality of life.**

[Criteria]
Our criteria is… **On balance.**

"So, the side that "on balance" provides the most Quality of Life for the most people should win the debate."

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PRO-01: Reducing Financial Burdens

Student Loan Forgiveness will... reduce financial burdens.

Because... we convinced people that they must get a degree to have a good life, but instead colleges overcharged for a degree that wasn't worth what it cost, and now people suffer from this massive debt.

For example...

First… Education Costs are "Staggeringly" High
S: *According to...* Harvard Law School, October 2023
https://clp.law.harvard.edu/knowledge-hub/magazine/issues/student-debt/introducing-the-september-2023-issue/
F: *It states...* College students are facing staggering costs associated with getting a college degree. There are significant problems from student debt such as social, mental, and emotional harms.
C: *This means...* student loan forgiveness is important for the sake of tens of millions of people who suffer from the tremendously high cost of education and are experiencing serious financial problems as a result.

Also… Difficulties Finding a Good Paying Job
S: *According to...* the Washington Post, June 25, 2019
https://www.washingtonpost.com/business/2019/06/25/heres-what-trillion-student-loan-debt-is-doing-us-economy/
F: *It states...* In the past, student debt was for those wanting a professional program for a career with high wages, but rising tuition and changes in the job market have made it too difficult for many people.
C: *This means...* forgiving student loan debt is important because degrees are tremendously expensive, yet they no longer guarantee a good paying job for those who graduate.

Finally… Serious Reduction in Living Standards
S: *According to...* the Washington Post, June 25, 2019
https://www.washingtonpost.com/business/2019/06/25/heres-what-trillion-student-loan-debt-is-doing-us-economy/
F: *It states...* Years of research show that post-college debt forces people to put off starting a family, buying a home, or even starting a business. Student loans prevented 400,00 families from buying a home, it also prevented people from having the money to start a business or even get married and start a family.
C: *This means...* student loan debt is directly responsible for millions of people to put off a better quality of life because their debt is too high, and this prevents them from making a better for themselves.

The impacts are significant... tens of millions of people suffer from a relatively poor quality of life due to the financial burdens of their debt. Instead, they serve as wage slaves who can't find better opportunities.

Therefore... Student Loan Forgiveness <u>will</u> reduce financial burdens.

"Our next argument is…"

For Rejoinders… Preventing Anxiety, Depression, and Suicide
S: *According to...* Sara Novak, Scientific American, August 24, 2023
https://www.scientificamerican.com/article/student-loan-debt-takes-a-toll-on-a-vulnerable-populations-mental-health1/
F: *It states…* <u>Another study, published in April 2023 in the journal Addictive Behaviors</u>, followed 331 college graduates and <u>linked high debt levels with problematic drinking, anxiety and depression</u>, especially among the most economically insecure graduates. In <u>some</u> cases, <u>borrowers even expressed suicidal thoughts</u>. Similarly, a March 2021 survey from the financial services company Student Loan Planner found that one in 14 participants within a group of about 2,300 loan borrowers with a high level of debt reported having suicidal thoughts that they attributed to that plight.
C: *This means…* by forgiving student debt, we help millions of people who are suffering from all the stress.

For Rejoinders… Current Policies are Unreliable
S: *According to...* Forbes Magazine, July 17, 2023
https://www.forbes.com/sites/alisongriffin/2023/07/17/negotiated-rulemaking-is-one-path-to-student-loan-forgiveness-heres-how-it-works/
F: *It states...* Currently, the focus is on the government's "negotiated rulemaking" process, in which the decision is not binding and will take a significant amount of time to complete the process.
C: *This means...* current programs are not acting quickly enough to make a difference to the people who need our help - it can take 10 years for SAVE to cancel the debt. Voting for the PRO gives immediate relief.

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PRO-02: Improving the Economy

Student Loan Forgiveness will... improve the economy.

Because... people end up having more money to spend each month, which will stimulate economic growth.

For example...

First… Preventing Threats to the Economy
S: According to... Forbes Magazine, October 31, 2023
https://www.forbes.com/sites/forbesfinancecouncil/2023/10/31/student-loan-payments-are-back-the-domino-effect-on-the-us-economy/
F: *It states...* The U.S. is preparing for a sizeable reduction in consumer spending. According to economists, the repayment of student loans will result cause a monthly reduction in spending of up to $9 billion, or over $100 billion annually. This increases the risk of a recession or could end up stalling our economic recovery.
C: *This means...* eliminating student loan debt can reduce the suffering of tens of millions of people by preventing "sizeable" economic harm to the economy and reducing their debt burdens.

Also… Debt Relief Boosts the Economy
S: According to... Roosevelt Institute, January 2021
https://rooseveltinstitute.org/wp-content/uploads/2021/01/RI_UnburdenedCancellingStudentDebt_FactSheet_202101.pdf
F: *It states...* With skyrocketing tuition and shrinking economic opportunities for young graduates, student debt is a strain our fragile economy cannot afford. We must act quickly to cancel student debt. Doing so would not only offer immediate relief to borrowers but provide a much-needed boost to the economy.
C: *This means...* when people spend the money instead of repaying it to the government, it will boost economic growth improving the lives of millions of people.

The impacts are significant... tens of millions of people having more money to spend will improve their quality of life by giving them access to more food, better living conditions, and more job opportunities.

Therefore... Student Loan Forgiveness will improve the economy.

"Our next argument is…"

[or] *"So, for all these reasons, please vote for the PRO. Thank you."*

For Rejoinder… $108 Billion Dollar Boost to GDP
S: According to... Roosevelt Institute, January 2021
https://rooseveltinstitute.org/wp-content/uploads/2021/01/RI_UnburdenedCancellingStudentDebt_FactSheet_202101.pdf
F: *It states...* Freeing up funds through debt cancellation would allow millions of borrowers to spend more in the economy. This can increase our GDP by up to $108 billion over the next ten years.
C: *This means...* cancelling student debt will stimulate the economy for everyone's benefit making hundreds of millions of people better off with more opportunities to improve their quality of life.

CON-01: Lacking Effectiveness

Student Loan 'Cancellation' will... lack effectiveness.

Because… it fails to address the root causes of the problem and benefits wealthy families more than others.

For example…

First… New Policies to Help Low-Income Families (ex. SAVE Act)
S: *According to…* CNBC News, August 31, 2023
https://www.cnbc.com/2023/08/31/save-student-debt-repayment-plan-pros-and-cons.html
F: *It states...* for low-income families, the current loan program will not exceed 10% of their discretionary income. Meaning if they are at or slightly above poverty then their payments will be reduced to zero.
C: *This means...* without a monthly payment they won't need forgiveness to provide for their family. After ten years, the loan can be forgiven. So, targeted repayment is better than forgiving all debt to everyone.

Also… Making Existing Problems Worse
S: *According to…* Dr. Vance Ginn, Economist, Library of Economics and Liberty, October 20, 2023
https://www.econlib.org/bidens-student-loan-forgiveness-plan-makes-the-poor-pay-for-the-rich/
While the intention behind President Biden's <u>student loan forgiveness may appear noble</u> (in likelihood, it is a rent-seeking move), <u>the results may prove detrimental to our nation's economic stability and fairness</u>. And if the debt is monetized, <u>more inflation will result. Forgiving student loans will exacerbate existing problems, with the brunt of the burden falling on lower-income Americans. Instead of improving the situation, it will likely create an intricate web of financial consequences, indirectly affecting the very people it aims to help</u>. But that is the result of most government programs with good intentions.
F: *It states…* forgiveness harms our economy and reduces fairness because it causes inflation to rise, which will make existing problems even worse. So instead of improving the situation it ends up harming the very people it tried to help.
C: *This means…* student loan forgiveness will cause tens of millions of people to suffer. Instead of making life better for low-income families, minorities, and women it will instead harm the economy and ultimately make their lives even worse.

Imagine the following impacts… millions of people will continue to suffer from universities driving up the costs and most of the benefits will go to wealthier families who don't actually need or even want this help.

Therefore... Student Loan Forgiveness <u>will</u> lack effectiveness.

"Our next argument is…"

[or] *"So, for all these reasons, please vote for the CON. Thank you."*

For Rejoinders… Ignoring "Root of the Problem"
S: *According to...* the Brookings Institution, August 25, 2022
https://www.brookings.edu/articles/bidens-student-debt-cancellation-doesnt-solve-the-root-problems-facing-borrowers-but-its-a-start/
F: *It states...* cancelling loan repayment will not address the root of the problem, which is the 300% increase in tuition over the last 30 years - by not changing the system, we are putting future borrowers at risk.
C: *This means...* we will spend more than a trillion dollars on a program that does nothing to address the cause of these problems. This could invite a repeat of even higher costs and even more borrowing.

CON-02: Wasting Valuable Resources

Student Loan Forgiveness will... waste resources.

Because… the program is so massively mismanaged and will require tremendous cuts to both education and social programs.

For example…

First… Government Income is Severely Reduced
S: *According to…* Slate Magazine, March 24, 2021.
https://slate.com/business/2021/03/student-loan-total-annual-government-payments.html
F: *It states…* each year the government collects around 70 billion dollars from student loan repayments of which 20 billion dollars is the interest.
C: *This means…* forgiving student loan debt will cause millions of people to suffer due to significant budget cuts, which will likely include education funding and social programs.

Also… Domestic Spending Cap Forces Trade-Offs
S: *According to…* Wall Street Journal, November 1, 2023
https://www.wsj.com/articles/biden-domestic-spending-congress-ukraine-taiwan-israel-bcc0433c
F: *It states…* The White House notes there's bipartisan support for many of its funding proposals, which may be true. But Democrats and the GOP's pork-barrel spenders agreed to this summer's debt-ceiling deal that capped domestic spending. Mr. Biden could ask Congress to include his proposals in individual appropriations bills if they are a priority, but that would mean making choices not to fund other things.
C: *This means...* since domestic spending has been capped, the only way to pay for the loan forgiveness would be to cut existing domestic programs such as the money for education and/or social welfare.

Imagine the following impacts… millions of people will suffer as scholarships and educational programs are reduced due to budget cuts, and there will be less money for social programs. This trade-off will ruin lives!

Therefore... Student Loan Forgiveness will be a waste of resources.

"Our next argument is…"

[or] *"So, for all these reasons, please vote for the CON. Thank you."*

For Rejoinders… Wealthiest People Benefit the Most
S: *According to...* the U.S. Congress, Ways and Means Committee, October 2, 2022
https://waysandmeans.house.gov/study-wealthy-reap-vast-majority-of-benefits-from-bidens-student-loan-giveaway/
F: *It states...* Wealthy people benefit most from a loan giveaway, despite an intent to target low-income borrowers, up to 65% of the repayment pause and cancellation goes to the top 50% of the income scale.
C: *This means…* student loan forgiveness fails miserably by giving away more than a trillion dollars and mostly forgives the people who don't really need the help.