

The Debt Crisis

Microsite Design Document

Purpose:

In the last decade, a headline has slowly taken over more and more airtime and article inches here in the United States, but is also thoroughly impacting students around the world, simplified to a short phrase “The Student Debt Crisis”. As college expenses rise around the world, skyrocketing over 68% in the last ten years, the federal student loan dept accumulated to \$1.54 trillion, accounting for the loans of 70% of all college students to have graduated within the ten-year margin.

As colleges start their acceptance process for the class of 2024,

Even today though, we find it difficult to identify the true history and causes of the debt crisis, and understand the proposed temporary solutions, and the goal of this microsite is to investigate and summarize the phenomenon in such a way that makes it easier to understand, and inform the public of the financial implications the American economy is facing by experiencing this crisis.

Site Map:

- A. Home
 - a. The Debt Crisis as it is Now
 - i. A brief insight of the debt crisis paired with relevant statistics to visualize the weight of the issue
 - b. History
 - i. This portion of the site will be outlining the rise of the financial distress, and emphasizing the different stressors that started exacerbating the crisis to the point it is currently at
 - c. Related Legislation
 - i. A listed section of the legislation that directly relates to the debt crisis and their impacts upon the scenario
 - d. The Fallout
 - i. Here will contain a map graph that visualizes the different social implications of the debt crisis, specifically drawing attention to the ensuing complexities that have emerged as a result
 - e. Proposed Solutions
 - i. A brief paragraph on the current actions being taken to resolve or ease the debt crisis, or the proposed solutions by financial experts as well as a note as to why these actions have not yet been fulfilled to their necessary extent.

Style Guide:

Color Guide					
<p>Rationale:</p> <p>The vibrant color palette of this page uses hues of green, yellow, and red to psychologically implicate a variety of preconceptions (listed) within the minds of our audience as a means of emphasizing the seriousness of the problem.</p>					
	#9CAA58	#CFCD33	#FFDC82	#8F4405	#4C281A
	Money, Good, Growth, Favor	Sickly, Dying	Fear, Frailness	Warning, Stop, Violence, Harm	Dirt, Earth, Sustainable, Stable
Links					
	#B4C6E7			#4C281A	
	Link			Visited Link	
Layout Concept					
<p>Due to the choice to have multiple images and graphic assets featured, the composition of the page will primarily place large objects central to page, accompanied by left-aligned text passages for clear emphasis on the content.</p> <p>The navigation panel will also be left-aligned, and minimize when not being used to focus on the information visible on the screen.</p> <p>The darker areas featured on the right will host relevant imagery to support the paired content, and each button on the navigation will correspond with a different section on the main page, where all of the information will live.</p>					

Research References (WIP):

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 <<https://thecollegeinvestor.com/32031/average-student-loan-debt-by-year/>>.

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Sanchez, Claudio. How the Cost of College Went From Affordable to Sky High. 18 March 2014. 27 February 2021. <<https://www.npr.org/2014/03/18/290868013/how-the-cost-of-college-went-from-affordable-to-sky-high>>.

Selinger, Jeffrey. How the Great Recession Changed Higher Education Forever. 21 09 2018. 27 February 2021. <<https://www.washingtonpost.com/education/2018/09/21/how-great-recession-changed-higher-education-forever/>>.

The Annie E. Casey Foundation. Solutions to the Student Debt Crisis in a Time of Economic Distress. 20 04 2020. 27 February 2021. <https://www.aecf.org/blog/solutions-to-the-student-debt-crisis-in-a-time-of-economic-distress/?gclid=Cj0KCQiA-OeBBhDiARIsADyBcE5nLDsAgLUJNhYJxAgxURKfz3-EEqUKP7gjUOGYbzCJqqUdqFTq0SQaAI_ZEALw_wcB>.

Watson, Patrick. The Real Reason Behind the Student Debt Problem. 06 February 2018. 27 February 2021. <<https://www.forbes.com/sites/patrickwatson/2018/02/26/the-real-reason-behind-the-student-debt-problem/?sh=5b5a6faa1f92>>.

Whistle, Wesley. What is Driving the \$1.5 Trillion Student Debt Crisis. 01 September 2020. 27 February 2021. <<https://www.forbes.com/sites/wesleywhistle/2020/09/01/what-drives-the-15-trillion-student-debt-crisis/?sh=b1bd4507aec3>>.

Content:

The Debt Crisis as it is Now:

As the amount of student loan debt soars above \$1.5 trillion in the United States, many Americans find themselves facing one of the biggest financial crises of their lifetime; the Student Debt Crisis. Millions of Americans have only now just started to see the impact of this crisis, and begun to understand the financial weight it will have on future generations, despite it being an inevitable result of years of legislation and corporate influence on the higher education system.

History:

Back in the 1970's, a series of legislation and social changes encouraged more people to go to college. (Sanchez) As the demand for higher education increased, tuition prices began to rise, and so did the number of people who needed loans to afford it. (Watson) Initially, people did this by taking out home equity loans, but after the housing market crashed in 2008, banks reformatted the loan structures to be tailored more for college students. (Selinger) Another consequence of the housing market crash was the reduction in money states gave to public colleges, which resulted in universities receiving less income. The school's response to this was to reduce their rates to attract more students to attend, but that didn't reduce the students' need for loans. Perspectives on college education itself also began to change, and soon the idea of having a degree was not only desirable for future employment, it became a requirement. As schools accommodated for more students, prices began to rise again, and between the years 2008-2018, tuition costs at public schools rose an average of 36%. (Whistle)

Related Legislation:

(needs more research)

The Fallout:

Today, 54% of college students take on an average of \$30,000 of debt each, which is a far cry from the average debt of \$9,000 back in 1993. (Kurt) (Farrington)

A direct result of this debt accumulation shows that people with student debt are indirectly influencing the economy. A lack of financial security has prompted people to delay significant milestones, such as marriage, having children, and the investing in new homes, cars, small businesses or retirement plans. (AICPA) Wage gaps have also significantly increased and educational diffusement amongst low-income and communities of color have decreased in turn.

Proposed Solutions:

Considering the severity of the problem, there are few options and little advice available to students to protect their financial security should they decide on college being an absolute option. Much of the advice out there weighs down to warning students against more expensive institutions or playing the lottery with scholarships, but there are better options. Many vocational employers offer student loan repayment options, or even sponsor students to go and pursue even more advanced degrees, such as a masters or doctorate degrees, but this cannot apply for everyone. Some are hoping for the US government to bail out the debt crisis by forgiving all student debt, but the current price tag as well as the unfair burden that would be distributed amongst taxpayers makes this option highly unlikely. (Kurt) The ultimate payoff of that is also not expected to last long as it still wouldn't address the true root of the problem, being exceedingly high tuition costs. Alternative solutions like limiting tuition rates of public colleges and relief packages for low income students would be likely to make a difference, however the debt crisis is not currently expected to be addressed by legislators until after the current public health crisis. (The Annie E. Casey Foundation)

For now, student loan repayments have been frozen to accommodate the massive loss in employment to prevent the situation from worsening, but it is still ultimately clear that without immediate change, it won't be long before the number of adults in the US with student debt will exceed 32 million and further damaged the already aching domestic economy. (Kurt)