

# Scottish student debt skyrockets

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Total student debt in Scotland rose by two-thirds during the past year, according to official statistics.

Debt now stands at £430 million, up from £254 million last year. By next year, total debt will have doubled since 2006.

The rising debt levels expose the financial hardship facing students in Scotland, especially the less well-off. Students must take out ever larger loans to get by as financial support systems are eviscerated by Scottish National Party (SNP) austerity measures.

The Holyrood parliament slashed spending on non-repayable bursaries and maintenance grants covering living expenses from £101 million to £65 million during the past year, according to official figures released last month. This follows cuts to maintenance grants of one-third in 2012. The SNP will only intensify these attacks after the announcement of a further 1.7 percent overall budget cut in their draft budget for the next financial year.

The average claim fell by 35 percent this year to just £1,210, according to the Student Awards Agency for Scotland. The maximum value of the Young Students' Bursary fell from £2,640 to £1,750. Income thresholds were lowered, cutting off assistance to more low-income students. The household income limit was reduced from £19,310 to £17,000 per year.

Scottish Education Secretary Mike Russell claimed that students in Scotland receive a "very generous" funding package because, by providing large loans, the state guarantees a minimum income of £7,500 per year. But this is just two-thirds of the official poverty level.

Although tuition is free in Scotland, miserly levels of student support mean that students must turn to loans to cover their living costs. The number of students resorting to loans rose five percent during the past year. Scotland offers the lowest levels of non-repayable grants in Western Europe. According to European Commission (EC) research, support in Scotland is on

par with Slovenia, Malta and Lithuania. Iceland is the only country offering no grants whatsoever.

Poorer students are forced to borrow more to cover living expenses, borrowing £5,610 per year compared to £4,340 for the richest. This blocks working class youth from higher education. "Entry to university in Scotland appears as socially polarised as it is in England," said the UK government's *State of the Nation* report released last month. Last year, "9.7 percent of the most disadvantaged entered higher education compared to 32.5 percent of the most advantaged."

Although more youth from low-income backgrounds attended university in Scotland after 2006, this process is reversing. The higher education participation rate for children from poor families fell 0.7 percentage points since 2011 to two-in-five, according to the Scottish Funding Council.

These developments have provoked a debate over higher education policy between rival factions of the British ruling elite. The main parties are using the soaring debt levels to attack the SNP's zero-fee policy from the right.

Scottish Labour education spokeswoman, Kezia Dugdale, said, "Scotland is worst for the poorest students, worst for widening access and has the worst dropout rates in the UK, we need to look at different options if we're going to maintain free tuition. It has to pass the fairness test. I can't support free university tuition while all that is going on."

Lucy Blackburn Hunter, the former head of higher education for the Scottish Executive, said, "Scotland is unique in having a system which assigns the highest student debt to those from the lowest income homes, due to its much lower use of student grant."

These politicians are cynically utilising debt figures to advance their own political agenda. In 2001, Blackburn Hunter implemented the student graduate endowment scheme that charged students a £2,289 fee

upon graduation as part of the Labour-Liberal Democrat coalition government in Scotland. The scheme was scrapped by the incoming SNP government in 2007.

Blackburn Hunter's research, backed by the British government's "Future of the UK and Scotland" research programme, is at the centre of a campaign to undermine the free tuition policy. Their central claim is that income from tuition fees would fund financial support for poorer students. This is a lie. After tuition fees were introduced in England by a series of Labour and Conservative governments, they imposed 50 percent cuts to teaching budgets and lowered student financial support.

Although student debt levels in Scotland are rising, graduate debt levels in Scotland, at an average of £20,000, remain below half of those in England. English universities charge £9,000 per year fees, the highest in Europe. Tuition comprises the bulk of the average graduate debt of £44,000.

After coming to power in Scotland in 2007, the SNP stoked regionalism by abolishing fees only for Scottish and European Union students, while retaining fees for English students. They were able to posture as left-leaning opponents of austerity and to offer minor concessions to the working class due to the Barnett formula, which provides greater levels of public spending per head than the rest of Britain. However, what remains of these social concessions looks evermore threadbare as the SNP imposes tight budget restraints set by Westminster.

The growing financial burden for students in Scotland exposes the lies, repeated by the pseudo-left, that Scottish nationalism is progressive and that the SNP is a reformist party that will re-build the welfare state. Scottish independence would be based upon a programme for transforming the region into a low-tax haven for transnational corporations, with disastrous effects for students.

Student support was not mentioned in the White Paper on Scottish independence, which pledged only to continue providing free tuition. However, students can place no faith in the SNP's bourgeois critics either who are all responsible for savage attacks on students.

Alan Milburn, the British government's Social Mobility and Child Poverty "tsar" feigned criticism of the cuts, insisting that Holyrood "review the total

financial support package for the most disadvantaged undergraduate and postgraduate students, particularly in relation to recent reductions in maintenance grants."

Milburn was a minister in the Labour government of Prime Minister Tony Blair that increased tuition fees to £3,000 in 2005.

Liam McArthur, the Scottish Liberal Democrat education spokesman, said, "The SNP government's underhand switch from grants to loans has saddled some of Scotland's poorest students with higher levels of debt." His party, as part of the newly-formed coalition with the Conservatives, infamously reneged on election promises and trebled tuition fees to £9,000 per year in England.

The union bureaucracy also issued toothless calls for the government to revoke the cuts. However, the unions work hand-in-glove with the government to impose them. The union bureaucracy is politically exposed by its close ties to the Labour Party, which responded to the new figures by calling for tuition fees to be charged to bring in cash.

Gordon Maloney, president of the National Union of Students (NUS) in Scotland, said, "We will be working with the Scottish parliament to push for increased grants for the poorest students, not instead of these student loan increases, but in addition." But education minister Russell confirmed the NUS' role in this attack on youth, stating, "We listened to the NUS when designing the new student support package to help students to access the funds needed to take up places at our universities."

Tuition fees are a means to take education off the treasury's hands and transform universities into privately-run, profit-making institutions in the interests of the financial elite. Workers and youth can only secure free and universal education by relying on their own strength as an internationally-united political force, organised independently of all the political representatives of the capitalist class, whether in Westminster or Holyrood.



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