DEBT AVERSION AND TOLERANCE IN THE POST-2012 ENGLISH H.E. LANDSCAPE: HOW HIGH-ACHIEVING STUDENTS IN LOW-PARTICIPATION SCHOOLS CONCEPTUALISE UNIVERSITY ENTRY

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In 2012, the annual fee cap for students at English universities rose from £3,375 to £9,000 per year. The hike was accompanied by changes to the non-repayable financial support offered to students from low-income households, and to the way in which loans would be repaid by graduates.

This paper examines responses to the fee rise from 198 of the young people most affected: year 10 and 11 students (aged 14 to 16) attending low-participation schools in disadvantaged, urban areas. Existing accounts of (student) debt aversion, such as Finnie 2004 and Harrison et al. 2013, are revisited to explore how adequately they accommodate this group’s often complex social, cultural and academic dispositions towards university entry.

Previous research has suggested that low socioeconomic status young people are disinclined towards participation because of ‘dislocation’ fears (Raey et al. 2005, Noble and Davies 2009). However, the extent to which higher fees deter participation is disputed by scholars, with some claiming that the effect is minimal (Maringe et al. 2009) and others noting that the most anti-debt individuals are from the lowest social classes (Callender 2003). This paper draws on and expands Voigt’s observation that “a certain absolute ‘price’ translates into different ‘costs’ for people from different backgrounds” (2007, p. 94-95), and separates out financial considerations from more individualised issues relating to less advantaged young people’s personal and cultural identities.

Higher fees call for a recalculation of the participation ‘bet’ by all would-be university applicants. However, those from low participation schools may be applying different formulae when factoring in relevant variables. In this study, a broad range of dynamics was found to affect a decision-making process that was rational, but rarely based on complete information. Participation choices were not found to be greatly incentivised by expected lifestyle gains. Bursaries were limited in their impact, and a raised repayment threshold did not always ease anxiety about debt accumulation. Indeed, the argument that the price of higher education could end up being very cheap (or even free) was found to carry much less weight than public discourses about participation generally assume. On the other hand, young people displayed a high level of tolerance towards the headline £9,000 fee level, many were very aware of restricted alternatives in local labour markets, and most perceived the incoming loan settlement mechanism to be just.