

The European Students' Union – ESU

Formerly known as ESIB – The National Unions of Students in Europe

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A letter of support for Stúdentaráð Háskóla Íslands

Dear Mr. Gunnarsson, Members of the Education Committee of the Parliament in Iceland and Members of the Governing Board of the Student Loan Fund in Iceland,

The European Students' Unions wants to express its deep concerns with the developments underway in Iceland. A proposal to increase the amount of the ECTS-points that are required in order to receive student support reduces the flexibility necessary for students' access to higher education. It does not take into account the needs of students with families, part-time students, students with disabilities and cases of students' illnesses, as well as many other situations. Higher education is a public responsibility all over Europe and by undermining access to higher education the Icelandic government will only be strengthening the privileges of those who already have a high socio-economic status. Iceland has a responsibility to ensure that the structure of those people attending higher education mirrors the general population. The proposed measures will severely undermine Iceland's commitment to achieving the widest possible participation in higher education.

The European Students' Union believes that Iceland's future and Iceland's education sector will be profoundly damaged if the capacity of all people to access and participate in higher education will be limited as has been proposed. The student body in Iceland, Stúdentaráð Háskóla Íslands, is fully supported by the European Students' Union that will monitor the issue closely.

Loans are not a sustainable funding model in general; this much should be obvious after the debt crisis. The increasing amount of student debt in Europe is troubling. The current race for more loans across Europe lacks any risk-analysis on the impact it will have on young people's debt. The consequences of such funding initiatives can be best seen in the case of the United States. On 30th of June 2012, total outstanding loans exceeded \$914 billion¹ and Americans now owe more on student loans than on credit cards. With the increase in total loans, the loan delinquency has also increased and more and more young people are struggling to repay their student loans.

¹ As it is shown in the latest latest Quarterly Report on Household Debt and Credit, published by the Federal Reserve Bank of New York:

http://www.newyorkfed.org/research/national_economy/householdcredit/DistrictReport_Q22012.pdf

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Not only are loans a risk for society in terms of the economy but they are also an access barrier. It is sad to see Iceland go down the all too common road where access to education becomes a commodity accessible to an increasingly privileged few. In a time when Iceland's economy is actually strengthening it would be wiser to increase support for a broader range of students to be able to access higher education. In the recent OECD report, called Education at a Glance 2013, the economic benefits of education were again supported. The societal benefits beyond the economic ones are even greater. The European Students Union strongly supports SHI's position to strengthen the Icelandic student grant system. It is and will be a key component in Iceland's continued recovery.

Sincerely,

Rok Primožic,

Chairperson of the European Students' Union 2013-2014

Brussels, 5 July 2013