



CGHE Annual Conference 22-23 May 2023

Session Details

PARALLEL SESSION 1 - Indebted Graduates: Disrupting Policy Rhetoric

22 May 2023, 3:15pm - 4:15pm (UK)

Chair: James Robson

CGHE project 5: Graduate Loan Debt: Claire Callender, Ariane de Gayardon

Income-contingent loans (ICLs) are increasingly popular because they protect debtors from excessive loan repayments, financial hardship, and defaulting on repayments, unlike traditional loans. Governments adopting ICLs promote them as benign transactions while simultaneously encouraging indebtedness and normalising it. But such government rhetoric, and most extant research, fail to acknowledge any undesirable aspects of ICLs and their potential detrimental repercussions for graduates' lives. This presentation gives a brief overview of our research on the longer-term implications of ICL indebtedness on graduates' lives. While fully endorsing ICLs, it then asks whether ICL debt is as harmless for graduates as portrayed by policymakers. Our analysis draws on 48 in-depth qualitative interviews with English graduates conducted 10 to 12 years after graduation. We assess how ICL debt affects graduates' lives and the extent to which the effects are negative. We find that debt adversely affects the lives of most graduates interviewed with the impact falling on a continuum. Contrary to policy rhetoric and policymakers' intentions, ICLs' protective features only effectively shield a minority from their harmful consequences.