

The Netherlands' "Bad Luck Generation" Fighting Debt

At exactly 23:37 on 20 January 2015, the Dutch government made a decision that would affect students for years to come. It abolished the basic grant system that allowed students to study without incurring major debts, replacing it with a loan system that only financed students from low-income households. The grant had a catch: repayment was required if a student did not graduate within 10 years. All other students would need to rely on their parents or take out a loan. The government promised to use money saved by this decision to fund improvements in the Dutch higher education system. With its budget cuts between 2015 and 2022 however, the government effectively invalidated its promise.

Around 2019, public outcry from students spurred research into the effects of the new loan system. Research found that the number of students with debt had tripled. Students from middle-income backgrounds were found to have comparatively [more financial problems](#) than those from a low-income or high-income background. Furthermore, two-thirds of students felt more [pressured to perform](#).

More than half of [students from middle-income backgrounds](#) were increasingly worried about their future finances. With mounting debt and the average price for a house at half a million and rising, homeownership is increasingly out of young people's reach. Not only are they priced out of the market, the Dutch government has also made it impossible for young to procure funds for it; in 2021, the government retracted its promise to enable young people to hide their debt from banks and mortgage lenders.

Most students were never in favour of the loan system and feared many of the problems it has created. The National Student Union (LSVb) has organised around the issue since 2012. However, their campaign #NietMijnSchuld (not my debt/fault) with [FNV Young & United](#) took off in 2019 after the effects of the loan system became difficult to ignore. Between 2015 and 2019, a growing number of students filed troubling complaints with these student-led organisations.

These organisers believed that students should not start their life with major financial debt, especially as the job market can be unstable. They also realised that their generation is going to have to pay the bill for the Covid-19, climate change and the ageing population crises, so it is unwise to keep shifting the financial burden on this already struggling generation.

* Meaning not my debt/not my fault. 'Schuld' can translate to debt or fault in Dutch.

Thus, the #NietMijnSchuld campaign had three demands: reinstating the basic grant system and abolishing the loan system; fair compensation for all students who suffered the loan system; investments beyond the education budget in improving higher education. To further their cause, the campaigners organised protests, petitions, sit-ins, spammed the student debt collector with small payments, and wrote to government officials.

In 2022, the new government coalition finally responded: the loan system will be abolished and the basic grant system reinstated. The government also earmarked 1 billion euros for compensating students who studied between 2015 to 2022. Students were pleased to hear the news but felt that at 1000 euros per student, the compensation was insufficient especially as student loans average 24,000 to 28,000 euros for 4 years of studies.

To highlight their dissatisfaction, the student unions organised the compensation protest on 4 February 2022. It is estimated that around 8000 students attended. Government officials and certain party leaders also came to show their support. Although the protest reignited debates in the House of Representatives, changes to the 1 billion budget are yet to materialise.

After many broken promises and superficial changes, students understandably feel that the government has failed them. Although progress has been made and future students can expect a basic grant as of 2023, those who studied from 2015 to 2022 will always feel like the “bad luck generation”.