UNIVERSITY OF TWENTE.

The Importance of Generosity of National Student Financial Support Systems for European Student Mobility

BACHELOR THESIS

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ABSTRACT

In this bachelor thesis the relationship between national student financial support system generosity and student mobility in the context of the Erasmus program has been examined. The theoretical framework gives insight in how student choice theory can be applied to a student's decision whether to participate in an Erasmus stay, as well as the potential role of the different models of student support present in Western Europe in this decision.

By using a cross-sectional research design six of the 33 European countries taking part in the Erasmus program have been evaluated with regard to two hypotheses. The first hypothesis states that the majority of outgoing students chooses host countries in which they can cover the living costs with the financial support received by their home country. Afterwards the second hypothesis then states that the higher the number of countries is in which students can cover the living costs (this means the more generous a national financial support system is) and therefore, they can choose from, the higher the overall student mobility rate of each country is.

Generally, it can be concluded after the analysis of both hypotheses that the impact of national student financial support system generosity on European student mobility is not as strong as expected. The findings of the research lead to the conclusion that increased emphasize has to be laid on the correlations of various influencing factors within the single countries to be better able to understand the importance of national student financial support system generosity on European student mobility.

TABLE OF CONTENTS

ABSTRACT	2
List of Tables	5
List of Figures	6
Abbreviations and Acronyms	7
1. INTRODUCTION	8
2. THEORETICAL FRAMEWORK	10
2.1. STUDENT CHOICE THEORY AND THE IMPACT OF FINANCIAL MEANS	10
2.2. OBSTACLES FOR STUDYING ABROAD	15
2.3. Student Financing Models	18
2.3.1. DIFFERENT TYPES OF STUDENT FINANCIAL SUPPORT	18
2.3.2. The different Models of National Support Systems	20
2.4. Conclusion and Hypotheses	22
3. Research Methodology	22
3.1. RESEARCH DESIGN	22
3.2. CASE SELECTION	23
3.3. DATA COLLECTION	26
3.4. OPERATIONALIZATION	27
4. GENEROSITY ANALYSIS OF THE NATIONAL FINANCIAL STUDENT SUPPORT SYSTEMS	31
4.1. CALCULATIONS	31
4.2. RANKINGS ACCORDING TO TEN CRITERIA	35
4.2.1. M AXIMUM AMOUNT	35

	4.2.2.	Coverage of Living Costs in the Home Country
	4.2.3.	COVERAGE OF LIVING COSTS ABROAD
	4.2.4.	Sources of Support
	4.2.5.	ELIGIBILITY
	4.2.6.	Additional Study Abroad Support
	4.2.7.	TUITION FEES
	4.2.8.	Amount of Erasmus Grant
4	4.3. Sun	1MARY
5.	ANALYSIS	5
Į	5.1. Hyp	отнеsis 1
į	5.2. Hyp	отнеsis 2
6.	CONCLUS	52 SION
7.	Discussi	on and Recommendations
8.	LIST OF R	EFERENCES
Ар	PENDIX	
I.	DETAILED	CALCULATIONS63
I	Finland	
I	Denmark	
-	Тне Nетне	RLANDS
(Germany	
,	Austria	
I	United Kin	gdom - England73
П.	Erasmus	STUDENT MOBILITY

LIST OF TABLES

Table 1: Overview of the amounts of support of the countries under study
Table 2: Ranking of the six countries under study with regard to the maximum amounts of support 35
Table 3: Ranking of the six countries under study with regard to the percentage of coverage
of living costs at home by the average support
Table 4: Ranking of the six countries under study with regard to the percentage of coverage
of living costs at home by the best case support
Table 5: Ranking of the six countries under study with regard to the number of host
countries in which outgoing students receiving the average support can cover the living costs
Table 6: Ranking of the six countries under study with regard to the number of host
countries in which students receiving the best case Erasmus support can cover the living
costs
Table 7: Ranking of the six countries under study with regard to the sources of support 41
Table 8: Ranking of the six countries under study with regard to the eligibility of students for
the different kinds of support as percentage of the total student population
Table 9: Ranking of the six countries under study with regard to provided special study
abroad support
Table 10: Ranking of the six countries under study with regard to the amount of tuition fees
being charged
Table 11: Ranking of the six countries under study according to the average amount of
Erasmus grant per country and student

Table 12: Final ranking of the six countries under study with regard to all ten generosity
criteria46
Table 13: Percentage of outgoing Erasmus students in six countries under study by living
costs in the respective host countries
Table 14: Comparison of the generosity ranking and the student mobility rates in the six
countries under study51
Table 15: Outgoing Erasmus students as share of total student population per country,
2009/2010
Table 16: Countries categorized according to level of generosity and student mobility rates 62
Table 17: Overview of the calculations for the three ideal types 62
Table 18: Austrian "Auslandsbeihilfe" per country and student per month
Table 19: Average Erasmus grant per country and student per month in 2009/201076

LIST OF FIGURES

Figure 1: The Hossler and Gallagher model of student choice (1987)	11
Figure 2: The student choice process and its most important variables	12
Figure 3: The student choice process with regard to Erasmus participation	13
Figure 4: Obstacles to the ambition of studying abroad	16
Figure 5: Outgoing Erasmus students as share of total student population per country	.77

ABBREVIATIONS AND ACRONYMS

AU	-	Austria
BAföG	-	Bundesausbildungsförderungsgesetze
COM	-	European Commission
DK	-	Denmark
DKK	-	Danish Crowns, currency of Denmark
€	-	The Euro, currency of 17 European Union Member States
ERASMUS	-	European Action Scheme for the Mobility of University Students
EU	-	European Union
FI	-	Finland
GER	-	Germany
HEI	-	Higher Education Institution
£	-	British Pounds, currency of the United Kingdom
MS	-	Member States
NL	-	The Netherlands
OECD	-	Organization for Economic Cooperation and Development
SES	-	Socio-Economic Status
UK	-	United Kingdom

1. INTRODUCTION

This bachelor thesis explores the relationship between national student financing regimes and the European mobility of students. Since the Erasmus program started in 1987, student mobility became an increasingly important issue for the European Union. Today in the year 2012, already 33 European countries take part in the program which is of more importance than ever, particularly in the perspective of the `Europe of knowledge`.

The research question which will be posed is of an explanatory nature, it asks:

"To what extent does the generosity of national student financial support systems affect European student mobility?"

Europe wants more mobility. How to stimulate?

Since its start in 1987, the Erasmus program has been a great success for the European Commission. Overall, the number of Erasmus participants rose gradually over the last 25 years. Also due to the constant widening of the program towards countries in all parts of Europe student mobility rose up to a total of more than 2 million students who went abroad. Within the study year 2009/2010, 213.266 higher education students took part in the Erasmus experience in one of the participating countries (European Commission - DG Education and Culture, 2011b, p. 19). However, still the huge majority of students decides not to participate in Erasmus due to diverse reasons.

Increasing research in this field of study emerged over the last years and indicates that financial obstacles are still the most important barriers for higher education students to participate in the Erasmus program (European Commission, 2009b; European Parliament, 2010; Teichler, Ferencz, Wächter, Rumbley, & Bürger, 2011). On the one hand, a great amount of documents exists about the development of student mobility, its reasons and barriers, as well as how it could be promoted further (Bienefeld & Almqvist, 2004; Cerdeira & Patrocínio, 2009; Vossensteyn et al., 2010; West & Barham, 2009). On the other hand, only few authors were engaged in evaluating the various national student support systems within Europe, so a main source for financial support. This is admittedly a difficult task, as many different factors have to be considered and a lot of reforms are taking place. Some important sources of this topic for the upcoming study are, for example, the results from Vossensteyn (2004), Vossensteyn *et al.* (2010) and the Department for Business, Innovation and Skills (2010) (Department for Business Innovation and Skills, 2010; Vossensteyn, 2004; Vossensteyn, et al., 2010).

Relevance of the Study

In general, the detailed look at the relationship between the two factors of national support system generosity and European student mobility, and its possible impact on which host country students participating in Erasmus chose was not evaluated, yet. Moreover, in literature not much is known about the impact of different support models on the generosity of a system, as well as the relation between these models of support and the mobility rates.

Therefore, this research is highly relevant in terms of the stated aim of the European Commission that "in 2020, at least 20% of those graduating in the European Higher Education Area should have had a study or training period abroad" (European Commission, 2009a, p. 4). Student financing mechanism is regarded a major policy instrument to stimulate student mobility.

In the course of this thesis, it will be evaluated whether there might be a possibility to foster student mobility through more generous national student financial support systems. It was suggested in previous studies that students who have an independent income source see financial obstacles as less problematic for an Erasmus stay (Vossensteyn, et al., 2010, p. 11). If this holds true, the type and amount of national support could really be a main influencing factor for student mobility rates. This may then result in a revived discussion about the most effective way to support students and the question if a European wide support system might be a suitable solution.

Structure of the Thesis

After this introduction, the second chapter will describe the theoretical framework of the study and provide some background knowledge about financial student support. In this section, the questions of "What is student choice theory and how can it be applied to the Erasmus program?" as well as "How is national student financial support set up?" will be answered and also the two hypotheses will be put forward. In the following third chapter, the methodology of the study is laid down ("How is the study set up?"), including the different criteria and standards for defining the dependent and the independent variable. Section 4

then provides an insight into the student support systems of six Western European countries, namely Austria, Denmark, Finland, Germany, the Netherlands and the United Kingdom. It will be evaluated how generous these countries are with respect to the ten criteria chosen in section 3. Moreover, a ranking with the different levels of generosity among the countries will be presented.

In the following analysis, chapter 5, both hypotheses are going to be tested by comparing the results from the support system generosity ranking and the student mobility rates, with the main question of "How are system generosity and Erasmus student mobility related?" going to be answered. In the concluding chapter 6 all findings will be summarized and evaluated with regard to the research question. Moreover, in chapter 7 a discussion about the value of the conducted study as well as recommendations for future studies will be brought forward. In the Appendix some further tables and more detailed information can be found.

2. THEORETICAL FRAMEWORK

This section will put forward the theory behind this thesis and explain the background of student financial support. So, the questions of "What is student choice theory and how can it be applied to the Erasmus program?", as well as "How is national student financial support set up?" will be answered in this section. Moreover, at the end two hypotheses about the relationship of system generosity and European student mobility will be formulated.

2.1. STUDENT CHOICE THEORY AND THE IMPACT OF FINANCIAL MEANS

The research field of student choice theory deals with the process students undergo when deciding to enter a college or not. Literature shows that "choices to attend higher education are complex multistage processes involving a series of successive decisions" (Vossensteyn, 2005, p. 31).

First, students need to decide whether to enter college or to obtain an alternative career option. Furthermore, information has to be collected in order to decide which college and which program should be chosen. And finally, it also has to be seen if they really persist in college or drop out. Moreover, students have to think about the way of financing their intent. The researchers Hossler and Gallagher (1987) developed a model which shows the most important choice process.





The first stage, predisposition, includes the decision on whether to attend college, or to start alternative activities like working. The second stage, search, includes the information gathering about the various colleges and to learn about their characteristics. Lastly, in the third stage, choice, a particular college and study program is chosen and the decision whether to persist in this situation or to drop out is taken.

Different conceptual models on how to analyze student choices have been developed by various authors. The most promising types of models are the so-called *Information-Processing Models* which combine the features of two other models, namely the *Status At-tainment Models*, which says that students act like they think is expected from them by their social environment, and the *Economic Models*, which see students as rational actors who make cost-benefit analyses (Hanson & Litten, 1982). The combined models have been extended by the feature of information processing which sees student choice as "a continuous cyclical process of uncertainty reduction" (Vossensteyn, 2005, p. 34). This multi-stage process includes a lot of different variables. The starting point is the student's individual social setting, as for example the student's age, gender and academic ability, but also his parent's educational background and income.

The figure resulting from these models is therefore more extensive than the simpler one from Hossler and Gallagher (1987).



Figure 2: The student choice process and its most important variables

Note: This is a slightly modified version of the Hanson and Litten's 1982 model. The small circle represents a stage in which the institution, not the student, decides.

Source: (Vossensteyn, 2005, p. 35)

Figure 2 shows the various factors which may have an influence on the decision-making stages of the student. It becomes clear that financial issues are only one among many other factors.

Although student choice theory was originally developed to shed light on the decisionmaking process of how students choose a college, it can be translated into the process of participating in a study abroad period, e.g. an Erasmus stay, or not, meaningfully.



Figure 3: The student choice process with regard to Erasmus participation

Source: The author

The influencing variables stay to a large extent the same, with institutions changing from `high school` to HEI, and from `college` to the Erasmus Program. One can see that the personal, environment and financial factors stay stable.

Many international studies have pointed out that a student's socio-economic background, meaning above all the parent's education and income, is the main predictor of the decision to attend a college, which program to chose and also whether to persist or not (Vossensteyn, 2005, p. 36). The question remains if this also holds for the participation in the Erasmus Program.

With regard to financial issues, studies about college attendance found out that an increase in tuition fees normally results on average in merely no or only moderate decreases in enrolment figures. Nevertheless, when looking at this phenomenon in more detail and distinguishing between students from different backgrounds, it becomes evident that major differences exist. Whereas students from lower income families are relatively sensitive to tuition fee changes, their high- and middle-income counterparts almost do not care (Vossensteyn, 2005, p. 27; 44; 48).

Furthermore, it seems that the fact that different colleges charge different amounts of tuition fees also impacts lower SES student more in terms of choosing relatively inexpensive studies which, for example, last only two instead of four years (Vossensteyn, 2005, p. 37).

Transferred to the model about Erasmus participation this may hold true with regard to choosing a possible host country according to differences in living costs compared to the home country.

Equal to different tuition fees at colleges, also among the host countries tremendous differences in costs of living are in place. Students from lower SES or less generous support systems might tend to go to less expensive countries instead of to the countries they might be most interested in. However, this does not mean that the programs and the student's education experiences are of lower quality than in more expensive countries.

In general, students with a high SES might be better off as especially parent's with a higher education and comparable high income most likely support their children in their aspirations and also financially.

Student support, including grants and loans, is intended to ameliorate the potential negative impact of the costs for access to higher education and, therefore, to equalize students' opportunities to attend higher education.

When looking at the impact of grants on student choices, one can notice a more or less reverse effect compared to tuition fees. Student support in the form of grants increases the number of college enrolments. Again this effect is generally stronger for low-SES students than for individuals from middle- or high-SES backgrounds (Vossensteyn, 2005, p. 37).

The impact of student loans shows once more the different perceptions of students with regard to financial issues. Studies found out that students from high- and middle-income family backgrounds see taking out loans as a reasonable investment in their future. In contrast to this, low-income students but also females in general are more averse to taking out loans and making debts (Vossensteyn, 2005, p. 38; 48). Therefore, loans do not always have a positive effect on enrolment figures.

The results from studies based on student choice theory clearly show that students with a lower socio-economic status act a lot more price-responsive than their high- and middle-income counterparts. Data underpin that Erasmus participants are mostly from high socio-economic backgrounds, and even as it has changed a little in recent years, low-income students are still underrepresented (Souto-Otero, 2008, p. 150).

Nevertheless, the evaluation of the impact of student support on college enrolment showed this added effect on low-income students also in relation to the positive impact of grants. As in general grants are better suited to balance the financial differences between low- and high-income students, an increase of grants might enable more low-income students to participate in an Erasmus stay. In addition to this, students from middle and high socio-economic backgrounds have no problem to take out loans in order to finance their study.

In the Erasmus context these two findings combined lead to the assumption that the type of support system may have an impact on student mobility rates. As grants are generally more attractive for students, a system offering a large amount of its support in form of grants might provide an increased incentive to participate in a study abroad experience.

Moreover, the findings imply that an overall high level of national financial support would result in higher student mobility rates, depending on the type of support which students decide to become mobile and which destinations they choose.

Generally, the findings above indicate that the socio-economic status of a student is highly connected to the perception of financial obstacles, concerning college attendance as well as Erasmus participation. The question whether financial issues indeed seem to be important in mobility choices will be addressed in the following sections.

2.2. OBSTACLES FOR STUDYING ABROAD

One of the main goals of the European Commission, as well as many national institutions, is to foster student mobility within the Union. Therefore, it needs to be evaluated why students decide to study abroad and what hinders them to make this step. About the reasons and obstacles students encounter for going abroad many studies and policy reports are available.

In general, it was pointed out that "main barriers to participation vary significantly between countries, with the exception of financial issues, which are an important concern for stu-

dents everywhere" (Vossensteyn, et al., 2010, p. 1). Additional important barriers to mobility were, for example, difficulties with credit recognition, insufficient language skills, lack of information and existing personal commitments (European Commission, 2009b; Vossensteyn, et al., 2010).

The Eurobarometer from 2009 (European Commission, 2009b) asked higher education students in 31 countries about their perception of four of the above mentioned impediments, namely, the lack of funds, language barriers, recognition of credits and lack of information.

Figure 4: Obstacles to the ambition of studying abroad



Obstacles to the ambition of studying abroad

Q5. Please tell me whether the following issues represented a very big, big, small, or no obstacle at all to your ambition of studying abroad? %, Base: who planned to, but then gave up or who never planned to study abroad

Source: (European Commission, 2009b, p. 29)

Financial obstacles

Lack of funding is by far perceived as the most important obstacle for studying abroad with 61% of the respondents saying that they experienced it either as big or even very big hindrance. As mentioned before, differences between the countries were very large. Whereas countries like Romania (83%), Bulgaria (83%) and also Poland (79%) reached very high numbers, especially in the Nordic countries the lack of funds is much less perceived as a problem (Norway 22%, Sweden 26%, Iceland 31%, Denmark 31%) (European Commission, 2009b, p. 30).

As the Nordic countries are known to have relatively generous social welfare and student financial support systems, these data seem to confirm the expectation that generous national support may take away important hurdles for student mobility. It has to be considered that students do not only face direct costs, like tuition fees, living and travelling expenses, but also potential losses resulting from their experience abroad, as, for example, social benefits or domestic subsidies (Teichler, et al., 2011, p. 194). Another problem is clearly that living costs vary between different countries and cities. Moving from an Eastern to a Western country, as well as from a Southern to a Northern one is mostly more costly than the other way around (Vossensteyn, et al., 2010, p. 45).

Students deciding to participate in the Erasmus program encounter most financial difficulties with the low level of the Erasmus grant. Especially in countries like Spain (69%) and Poland (68%) this problem is very big, whereas in, for example, Sweden (19%) and Finland (19%) it is perceived as much less important (Vossensteyn, et al., 2010, p. 45).

Other obstacles to mobility

In addition to financial obstacles, also other barriers to student mobility exist. These will be also mentioned here as they might help in the end to explain possible deviations from the hypotheses.

With regard to language barriers, the perceptions differ a lot among various countries. After financial obstacles, lack of language skills is mentioned as another big problem students thinking about a study abroad period come across. However, as pointed out by another study, in most of the countries over 90% of the students indicated that they actually chose to study abroad to improve their foreign language skills (Vossensteyn, et al., 2010, p. 52).

Despite the successful Bologna process and the EU wide introduction of the European Credit Transfer System (ECTS), it is still difficult for many students to get the credits they obtained during their Erasmus period recognized at their home institution. This is a concern for many students, especially, as it may result in study delay and an additional financial burden respectively (Vossensteyn, et al., 2010, p. 51).

Moreover, also a lack of information about the Erasmus program as obstacle to take part in it (European Commission, 2009b, p. 30). High shares of students who decided not to go abroad or never planned to do so in mentioned this reason as a big or very big obstacle

Although students have not been asked about which role personal relationships play in their decision about an Erasmus stay in the 2009 Eurobarometer, other studies revealed this as an additional important reason for not participating (Orr, Gwosc, & Netz, 2011, p. 175). It is stated that the separation from the partner, child(ren) and friends is on average even ranked as the second biggest obstacle (Orr, et al., 2011, p. 175).

It has to be pointed out that in all conducted studies students who never considered going abroad, or consciously decided not to go, perceived the obstacles as a lot bigger than students who went on the Erasmus trip (European Commission, 2009b; Vossensteyn, et al., 2010). This leads to the conclusion that money surely matters, however, also other factors do have an impact.

2.3. STUDENT FINANCING MODELS

2.3.1. DIFFERENT TYPES OF STUDENT FINANCIAL SUPPORT

Supporting students can be done by governments in various ways. The most straightforward distinction is made between direct and indirect student support. In this context direct support consists of means that are "directly available to students" mainly including grants, loans, scholarships and also support in terms of travel benefits or meals (Vossensteyn, 2004, p. 12). When providing grants, the state gives money to the student which has not to be repaid. In contrast to this, via student loans money is given out too, but students have to repay it after the completion of their studies, either without interest, low interest or a market interest rate (Schwarz & Rehburg, 2004, p. 526).

Measures are categorized as indirect support when they are provided to the parents or other relatives of the student. This kind of aid consists mostly of financial transfers like tax benefits or family allowances (Vossensteyn, 2004, p. 12).

Another part of the system entails the provisions on the basis of which it is decided whether students are eligible for financial support, and if they are, what amount of support they get. Therefore, socio-economic standards, like mainly the financial situation of the students and their parents, become evaluated by the government office in charge in order to determine both of the above mentioned decisions. Moreover, for the question of eligibility often also socio-structural criteria, like age and nationality of the student, apply (Schwarz & Rehburg, 2004, p. 529). Support from the government can be means-based, merit-based, or both. This means it is bound to characteristics like age, nationality and study progress, but also to the student's and/or the family's income. Moreover, the housing situation of the students is taken into account, with students living on their own getting a higher amount of support than students living at their parent's house (Schwarz & Rehburg, 2004, pp. 529-530; Vossensteyn, 2004, p. 12).

Merit-based support is based on the academic performance of students, like the achievement of a minimum grade or passing a certain exam or degree. Generally, in most countries students have to reach a certain number of credits at a specific point in time to stay eligible for public support (Schwarz & Rehburg, 2004, p. 531).

The means-based approach is prevalent in many European countries and is mostly focused on the financial situation of the student and parents. Therefore, the maximum support which can be provided by the state is merely granted to students whose family income is significantly low (Schwarz & Rehburg, 2004, p. 529). Only few countries award direct financial support independent from family income, predominantly Scandinavian countries (Schwarz & Rehburg, 2004, p. 530).

Additionally, also the fact that governments charge no tuition or cost-covering fees can be seen as a kind of financial support, because then the state pays most of the costs of instruction. Many countries, like the Scandinavian ones and Greece, do not charge tuition fees at all, many charge only a small amount, mostly less than 100€ (e.g. France, Spain) and only a low number of states charges higher fees (UK, The Netherlands). Often students which have trouble paying the fees can get them partly or even completely waived (Schwarz & Rehburg, 2004, p. 521).

2.3.2. THE DIFFERENT MODELS OF NATIONAL SUPPORT SYSTEMS

When looking at the theoretical background behind national student support systems, one has to take into account the existing perceptions society has of students in the particular countries. Due to the traditions, ideologies and also financial situations within the respective states, people tend to perceive students differently and, therefore, distinct support systems have evolved in history. Finnie, Usher and Vossensteyn (2004) made a distinction between the different systems and separated them into four types.

These Models are:

- 1. The Independent Student Model
- 2. The Compromising Model
- 3. The Parent Centred Model
- 4. The Student Centred Model

The so-called *Independent Student Model* which can be mainly observed in the Nordic countries, like, Denmark, Finland, Iceland, Norway and Sweden. The model is characterized by the fact that public support is given to the students directly and not to their parents. Nearly all students are eligible for the combination of a grant and loan based support. Moreover, no tuition fees are charged. As in theory public support should make up for the students living expenses, it seems that in practice many students still have to rely on additional support from their parents or part-time jobs (Finnie, Usher, & Vossensteyn, 2004, p. 24).

The second model, the *Compromising Model*, can be observed in the Netherlands, where students and parents have to share the responsibility for the study costs. All fulltime students receive a universal grant with an amount varying dependent on whether they live at home or on their own. The rest of the expenses which are not covered by the grant have to be paid by the parents, if their financial situation allows them to. If the parents cannot help their child sufficiently, the state offers a supplementary grant, depending on the family income. Moreover, there is a possibility to take out an additional voluntary loan. In practice it seems as despite the three possible income sources, students are still heavily involved in part-time jobs (Finnie, et al., 2004, pp. 24-25).

A third model is labelled as the *Parent Centred Model* in which primarily the parents of the student are responsible for their child's study costs. The state charges no, or only low, tuition fees, but in return also does not provide a lot of public support. Only few students get grants or loans and the received amount of money tends to be low. In contrast to this, parents get family allowances and/or tax benefits. The problem with this model can be that parents do not support their children as they are expected to, and therefore, students have to rely on part-time work.

This model is mostly found in Western European countries as Austria, Belgium, France, Germany, Italy and Spain (Finnie, et al., 2004, pp. 23-24).

Another type of student support system is called *Student Centred Model* with to a large extent students themselves being responsible for their own situation. They face relatively high tuition fees, whereas low- and middle-income students may be able to get all or at least part of it waived. Public support focuses on the students and not on their parents, which means that students need to take care of getting along with it on their own. The system is based on some grants and predominantly loans mostly distributed on a means-tested basis. Nevertheless, parents are often implicitly expected to financially support their child to the capacity they can. Additionally, also higher education institutions do have a small budget to support students in need. Within Europe this system can be found in the United Kingdom (Finnie, et al., 2004, pp. 21-23).

These above mentioned models seem to at least indicate the respective generosity of the countries pursuing them. Differences can be seen in the shares of direct and indirect support, and also in the amount of students being eligible for the grants and loans.

2.4. CONCLUSION AND HYPOTHESES

The above mentioned concepts and theories consistently pointed at financial issues as, among others, an important factor which influences students decisions whether to go on a study abroad trip or not. It is also central to know that within Europe several approaches exist which explains the huge differences within the support systems. With the gained knowledge about the ways students can be supported and the different impact various types of student support have, the following two hypotheses emerged and will be tested in the upcoming study:

- 1. Students are more likely to spend their Erasmus study in a country in which they can easily cover their living costs with the support they get from their home country.
- 2. The more generous a national student support system is, the higher will be the overall outgoing student mobility rates.

As financial issues are clearly a main obstacle, students rationally might tend to chose countries for their Erasmus stay in which the living costs can easily be covered by the money they have at their disposal. Moreover, the more money students get as support from their home country, the wider is the range of countries they are financially safe to go. That thus increases the likelihood of finding a destination country where students like to study in terms of language, types of institutions and programs or cities to live in which is assumed to lead to an increase in overall mobility rates.

3. RESEARCH METHODOLOGY

The methodology of the thesis is going to be brought forward in this section. It will give answers to the questions of "How is the study set up?" and "What makes a support system generous?".

3.1. RESEARCH DESIGN

This thesis will put forward a cross-sectional study of six of the 33 countries participating in the Erasmus program. Only six countries have been chosen as the analysis is very detailed and conducting it for all 33 countries would have gone beyond the scope of this bachelor thesis. The research design seems to be appropriate as it allows to compare the six country's situation at one point in time and, therefore, will be able to detect possible best practices, as well as possible student financing approaches to increase student mobility. Since all six countries do have different support system backgrounds it will be interesting to see what impact this has on the mobility of their students. Reference point for the data will be the study year 2009/2010, as this is the most recent information available.

Cross-sectional designs are widely used in the field of social research, as they produce results relatively quickly and are very cost-effective (De Vaus, 2001, p. 176).

3.2. CASE SELECTION

The cases for the cross-sectional study are pre-selected by the choice for European countries that participate in the Erasmus program because then student finance generosity of countries can be related to good statistics on short term (credit) mobility. As a first step, a purposive sampling was made with regard to the fact that the study focuses on this specific program and, therefore, only the participating countries may be included.

Today 33 countries are part of the Erasmus agreements. These countries include the 27 member states of the European Union, as well as Croatia, Iceland, Liechtenstein, Switzerland and Turkey. Moreover, the Former Yugoslav Republic of Macedonia participates in the program under the preparatory measures phase since 2010 (European Commission - DG Education and Culture, 2011c). Due to the fact that there are no sufficient data available for neither Switzerland nor Liechtenstein nor Macedonia for the study period 2009/2010, these countries will not be considered for the second part of the sampling which leads to a sample of 30 countries.

In the following step, the sample has been reduced to only Western European countries which already took part of the Erasmus program for some time. They are experienced in the process and also do have stable support systems which might even been adjusted to the program.

Especially the newly joined member states in the East are still catching up with the standards of the EU and the Bologna process. As the program is new to their students, they have fast growing mobility rates, although, their financial support systems are relatively weak. To prevent unequal comparisons on the basis of this disturbed mobility pattern which would make a proper analysis rather complicated these countries have been excluded from this study. Moreover, Western European countries are all relatively wealthy, which makes it even more interesting to see how the amounts a student can receive in the best case scenario as well as on average reflect this wealth of the governments.

When looking at Western European countries, it strikes the eye that they have been categorized by Finnie, Usher and Vossensteyn (2004) into four different models of student support (Finnie, et al., 2004). It seems as if these categories already indicate something about the generosity of the systems.

In the first, the *Independent Student Model* (in DK, FI, IS, NO, SE) the student is supported independently from his parents. However, the benefits provided by the state ensures that the student is not left alone with the responsibility but supported properly. In these systems high shares of the total student population are eligible for support; often it is even universally applicable. Moreover, these systems do not charge a tuition fee which is another indicator for a relatively generous approach.

Secondly, the *Compromising Model* (NL) tries to share the responsibility for the study costs between the student himself and his parents. Those systems provide a universal grant, but expect the parents to pay for the additional financial aid a student needs. However, a means-tested grant and/or loan can also cover those expenses. This implies that there is still a safety net from the state when students need it. Despite this quite positive impression, high tuition fees are charged. Therefore, overall the system can be labelled as medium-high generous.

The third model, the *Parent Centred Model* (AU, BE, FRA, GER, IT, ESP), concentrates on supporting the student's parents. This means that only a small share of the total student population does receive some kinds of direct grants or loans themselves. Moreover, these amounts and also the family allowances and tax benefits provided to the parents are quite low. Nevertheless, the fact that *Parent Centred Models* normally do charge no or only low tuition fees and that family allowances are universal, indicates that this approach is not completely ungenerous. Lastly, the *Student Centred Model* (UK) also supports only the students themselves, but predominantly through a loan system. This not only puts the pressure of being responsible for oneself, but also the burden of a substantial debt on the student's shoulders. In addition to this, those systems are known for charging considerably high tuition fees. All this let assume that this approach is not very generous to students.

When looking at the impact a possible Erasmus stay might have on students under the various models, even clearer differences can be anticipated.

In the *Independent Student Model*, the decision about a study abroad period lies also financially in the hands of the student himself. He knows exactly what he can get from universal support means and, furthermore, does not need to worry about tuition fees. These systems normally also provide support up to one year in addition to the presumed study time. This means that even if the student needs to study longer due to his period abroad, he will still get support from the government.

In the two models expecting parental support for the student (the *Compromising Model* and the *Parents Centred Model*), the financial burden lies more on the side of the parents. This means that if students want to take part in the Erasmus program they need to assure that they can get the additional financial support from their parents.

In the *Student Centred Model*, as well, the financial decision lies predominantly in the student's hands, but in this system it probably means to take out more loans and increase the overall debt.

After evaluating the different models with regard to their assumed generosity, the following ranking can be made:

Independent Student Model:	highly generous
Compromising model:	medium-high generous
Parents Centred Model:	medium-low generous
Student Centred Model:	low generous

In the next step now individual countries had to be chosen from the different approach of financial student support. As both, the *Compromising* and the *Student Centred Model*, are

only present in one Western European country, the Netherlands and the United Kingdom respectively were set.

These countries also fit into the hypothesis when looking at overall student mobility rates. As countries with not so generous systems are expected to also have low student mobility, this fits for the case of the UK. And, the Netherlands with an assumed medium-high generous approach lies also in the expected range.¹

When looking at the countries following the *Independent Student Model*, it is striking, that on first sight only one seems to really fit into the assumption of being rather generous and, therefore, also having a high mobility rate. However, this is only the case in Finland, and somehow in Iceland. Denmark, Sweden and Norway lie in the lower third of the distribution with regard to their mobility rates. Therefore, Finland as typical case, as well as Denmark as deviant cases have been chosen.

In the *Parents Centred Model* a similar picture arises. As the system is not so generous, the hypothesis implies that also the student mobility should be quite low. However, most countries lie in the upper third of the distribution concerning the student mobility rate with only Germany and Italy falling below. Therefore, Germany as a typical case and Austria as a deviant case have been chosen (also due to information availability reasons).

Generally, whereas the United Kingdom, Germany, The Netherlands and Finland are cases which seem to comply with the hypothesis, Austria and Denmark serve as deviant cases. So, these six countries will be under study in the following sections of this thesis.²

3.3. DATA COLLECTION

For this study mainly quantitative data will be used as well as qualitative data reflecting student financing system descriptions. One good source for raw, quantitative data is the European Commission's (COM) database EuroStat. Moreover, also the homepage of the Directorate General of Education and Culture and many national pages provide good statistics. Quantitative data are necessary because it is the best way to see, on the one hand, which

¹ for a detailed overview about the student mobility rates per country see Table 20 in the Appendix

² For an overview see Table 21 in the Appendix

amounts of support nations give to their students, and on the other hand, where student mobility rates stand.

Internet pages and publications of various European Union Institutions, especially of the European Commission, as well as of national agencies have been assessed.

Since the financial student support systems under study are decided and implemented by national governments, it is very important to include sources from this level. Homepages, especially of the ministries of education, but also of universities are very helpful in order to provide more details about the systems and their backgrounds.

In addition to this, numerous studies have been conducted and academic journal articles published on the issue addressed in this thesis, which serve as information sources and good examples. This study elaborates on various studies on student mobility and on national student financing systems, as well as their effects on higher education participation.

Because data on the main variables for this study may change from year to year in various countries, collection of data was done to a large extent through internet research in order to have as recent data as possible.

3.4. OPERATIONALIZATION

In the following part the operationalization of the two variables under study will be presented.

Defining the independent variable "national financial student support system generosity" is a quite complicated task. One can think of many important factors which need to be considered, however, whether they really play a role or not, and which kind of role, cannot be foreseen entirely.

For this thesis, generosity will be measured according to ten criteria further defined below. For each criterion the countries will be ranked from 1 to 6, with one being the most generous and six the least.

 Maximum amount of financial student support available to students living in the home country

In the first criterion, the maximum amounts of all student financing means together available for each student in the respective home countries will be compared. The higher this amount is, the more generous the national financial support system for students is.

2. Coverage of living costs at home by the average support

For the second criterion it will be measured which percentage of total living and study costs in the respective home country can be covered by students receiving the average amount of national support calculated for the total student population. As it might be that the amount of support is even higher than the living costs, the percentages can also lie above 100. In general it means, the higher the percentage of living costs which can be covered, the more generous the national support system.

3. Coverage of living costs at home by the best case support

The third criterion is quite similar to the second one, measuring which percentage of living and study costs in the home country can be covered by the student in the best case scenario, so the student who is eligible for all kinds of national support.³ Again this can result in percentages higher than 100, and living costs are the same as for the first criterion. Moreover, it also means that the higher the percentage of living costs covered, the more generous the student support system.

4. Coverage of living costs in host countries with the average support for outgoing Erasmus students

For the fourth criterion, it will be measured in how many possible host countries an outgoing Erasmus student can cover the living costs when receiving the average amount of national support plus the official Erasmus grant. In the more countries the living costs can be covered, the more generous the support system will be labelled.

When computing the living costs the Erasmus students will face in the host country, it is important to exclude possible tuition fees. According to the official Erasmus Student Charter all outgoing students are exempted from paying tuition fees in the host country (European Commission, 2006, p. 1).

³ A detailed description of what kinds of support the three types of students (average, best case, maximum) get in the studying-at-home situations, as well as the participating-in-Erasmus-situation will be given in section 4.

5. Coverage of living costs in host countries with the best case support for outgoing Erasmus students

This is a similar criterion as number four, but here it will be measured in how many possible host countries outgoing Erasmus students can cover the living costs when receiving the amount of a student in the best case scenario. Again, the higher the number of host countries in which the living costs can be covered, the more generous the national support system is.

6. Sources of support

The sources of the support also determine their generosity. For example, grants are generally considered more generous than loans because students do not have to repay the money of a grant. Indirect support means are situated somewhere in the middle, as they do not have to be repaid either, but are given to the parents instead of the students themselves. This results in some kind of a risk factor whether parents really pass on the support to their child, or not.

In order to be able to rank the countries, the available maximum amount of support will be split into the shares resulting from grants, indirect support and loans respectively. Then, it means the higher the support from grants, the more generous the national support system.

7. Eligibility

This criterion is highly connected to criterion number six.

It will be evaluated which percentage of the total student population is eligible for which support means. Though, the amounts awarded as a grant may be high, but if only a very small proportion of the students is eligible, then the overall system is not generous. As it might be that single students receive support from more than one source, all percentages are taken by the total student population in the respective country.

8. Special Study abroad Support

For this criterion, mainly the question whether or not a country does provide special study abroad support will be evaluated. As there might be more than one country offering such support, the type (grant or loan) and the amount of support, as well as the eligibility for it will be considered when assigning ranks to the countries.

9. Charging tuition fees

In this category, the fact whether or not a government or HEI charges tuition fees to regular fulltime national students will be taken into account. As there are more countries which do not charge tuition fees, these will be all labelled with 1, whereas the other countries will be ranked according to the amount of tuition fees charged.

10. Amount of the official Erasmus grant

This last criterion evaluates the average amount of Erasmus grant provided by the European Commission for each home country per outgoing student. As the Erasmus grant gets distributed according to different features of the home country it can be seen as a criterion to define generosity of the national support system. The higher the amount of Erasmus grant per student, the more money outgoing students have at their disposal and the more generous the support system of their home country is.

After evaluating all six countries according to the criteria presented above, the rankings for each of them will be added and divided by the number of criteria. The resulting final ranking will then define which of the countries under study has the most and which the least generous national financial student support system.

Support in kind, meaning for example travel benefits or meals, will not be considered in this analysis, as it only constitutes a minor part of the general financial support in most countries. Moreover, it varies from university to university and it depends on the extent to which students make use of it. These reasons make it very complicated to make statements for the respective countries. This exemption might lead to an underestimation of financial support to students in some countries. Moreover, it might be possible that Erasmus students can benefit from such support in kind in their host country, which is also not feasible to include in this study.

Portability of the support is not going to be considered as a factor either, as it is stated in the Erasmus Charter that all participating countries provide the national support also for an Erasmus stay (European Commission, 2006).

The dependent variable "student mobility" will be measured firstly, via the sub-divided mobility numbers which show how many students decide to go to which host country. The respective percentages of students, as share of the total national outgoing student population, per home country for each of the 29 other participating Erasmus countries then show to which host country students from each of the six chosen home countries go.

In order to also answer the second hypothesis, figures will be used which show the outgoing Erasmus students as a share of the total student population per country of the study year 2009/2010 in percentages (in contrast to absolute numbers). With the help of these numbers, the countries individual student mobility rates can be compared. In general, this means the higher the percentage the higher the mobility rate. Moreover, the theoretical framework of this study suggests that countries with high percentages of student mobility will have the more generous support systems.

4. GENEROSITY ANALYSIS OF THE NATIONAL FINANCIAL STUDENT SUPPORT SYSTEMS

In the following section of this thesis it will be evaluated how generous the national student financial support systems of the six countries under study are. It will be asked "How generous are the countries with regard to each of the ten criteria?", as well as "How different are the overall levels of generosity in the countries?".

In order to answer these questions, first the amounts of support for the average student and the student living in the best case scenario in each country will be calculated. The results of these calculations then pave the way for analyzing the generosity of the six support systems according to ten selected criteria. For each criterion a ranking of the countries will be done and in the end, these scores are going to be combined so that a final ranking shows how generous the support system of each country is with regard to the other countries under study.

4.1. CALCULATIONS

As the generosity of a national support system is very complex, data will be presented for three "ideal types of students": the average student, the best case scenario student, and the student receiving the maximum amount possible. For each of these three types, the extent to which they are supported when studying in their own country – which indicates the general generosity of the national student financial support system – as well as the extent of support when they participate in an Erasmus study abroad will be calculated.

How exactly the three scenario cases are calculated will be explained in the following:

- The data on the average student will be calculated by dividing the amounts of all kinds of support really awarded to the eligible students by the total student population. This means that also students who in reality do not get any public support are included which leads to a rather low amount of support for the average student in most cases.
- A student in the best case scenario receives the average amount of means-tested direct and indirect financial support, as well as the maximum available amounts of universal loans.

So, the student in the best case scenario is someone to which a support system is most generous as he is always assumed to count to the population that is eligible to all financial support available in the system.

This student is also assumed to take out the maximum amount of loans which is provided universally as this is what the system offers for each student. To which extent students really take out these loans cannot be controlled by the national support systems.

3. Finally, a student receiving the maximum amount available gets the highest possible direct and indirect financial support amounts a system has to offer. This includes the maximum amounts for all grants, loans and indirect support means independent from the fact whether they are granted universally or on a means-tested basis. This, however, is a very unrealistic case.⁴

Generally, the amounts considered are always the part of support available for students living away from their parents` household, as this is also the situation for Erasmus students.

⁴ For a more detailed overview of what is included in the calculations for each of the three types of students, please see table 17 in the Appendix.

Although the maximum amounts for both, the student studying at home and the Erasmus student can receive have been calculated as well, they will hardly be used in the analysis as the case of a student actually receiving this amount is very unrealistic.

When looking at the data for outgoing Erasmus students, support which is aimed at covering tuition fees will not be taken into account. As Erasmus students do not have to pay tuition fees in the host country but still in their home country, this money is by definition not at a student's disposal when going abroad (European Commission, 2006).

Moreover, possible additional study abroad support means will be added.

By calculating the amounts for all three kinds of students, as well as their Erasmus counterparts, the countries can be compared on different levels. Generosity cannot only be demonstrated by the maximum amount a system offers, but even better when looking at the amount a student in the best case gets and the share an average student receives. These two results are the ones which show the real generosity of a system, as they also include the eligibility for the various support means.

The countries will be ordered with regard to their student support models. This means that Finland and Denmark both representing the "Independent Student Model", the Netherlands having a "Compromising Model", Germany and Austria for the "Parent Centred Model", (both pairs of countries are ordered by first presenting the country assumed to comply with the hypothesis and second, the deviant case), and lastly, the United Kingdom pursuing the "Student Centred Model" have been elaborated.

As the calculations have been quite complicated and very detailed, they are presented in the Appendix (see section I. *"Detailed calculations"*) and only a final overview is shown here.

Table 1 below presents the provided financial support for two "ideal types of students" (the average and the best case scenario case) in both, the studying at home situation, as well as the Erasmus situation. As it is very unlikely that a student receives the maximum amount of support a system offers, these results will only be presented in the Appendix.

For an easier comparison of the countries with each other, the amounts of support have been rounded to whole numbers.

Model of Support	Country	Average (in €)		Best Case Scenario (in €)	
	-	Home Country	Erasmus	Home Country	Erasmus
Independent	FI	268	283	563	956
Student	DK	837	837	1051	1051
Compromising	NL	454	528	893	849
Descents Controd	GER	341	341	1244	1244
Parents Centreu	AU	251	275	511	645
Student Centred	UK	484	292	848	545

Table 1: Overview of the amounts of support of the countries under study

After looking into the national financial support systems in detail, some remarks can be made with regard to the outcomes.

In general, one always needs to keep in mind that these numbers are highly connected to the concept of eligibility. If there is only a low number of students eligible for the support, this leads to a corresponding low average amount. This can be seen when looking at the examples of Denmark and Austria. Among all countries, the average student is without doubt best off in Denmark as all support is universal. In contrast to this, eligibility is very restricted in Austria which makes the amount for the average student considerably low.

Most likely the amount received by a "real" average student, so somebody who receives support from the state, but not as much as in the best case scenario, lies somewhere between the amounts for an average and a best case student in this study.

It is hard to say which percentage of students really falls under the label of a "best case scenario student" as not all students receiving a high share of the grants and/or the indirect support also take out the maximum amount of loans.

How these calculated amounts have to be evaluated with regard to generosity, and how they correspond to the Erasmus student mobility rates will be elaborated in the following sections.

4.2. RANKINGS ACCORDING TO TEN CRITERIA

In this part, the overall generosity of the student financial support systems in the six countries under study will be analyzed. This will be done by applying several criteria by which generosity gets defined to the sample. In the following parts, each criterion will be explained and the countries will be labelled as high or low in generosity.

At the end, an overview will be given in a table indicating the generosity of each of the six countries compared among each other.

In order to support the assumptions resulting from the theory about the student support models and the hypotheses, the countries at the top should always get the highest scores and then becoming less generous when going further downwards in the list.

4.2.1. MAXIMUM AMOUNT

In the first criterion, the maximal amounts available for each student studying in his home country and not participating in the Erasmus program will be compared. The higher this amount is, the more generous the national financial support system for students is.

Table 2: Ranking of the six countries under study with regard to the maximum amounts of support

Model of Support	Country	Maximum Amount (in €)	Ranking	
Independent Stu-	FI	800	6	
dent	DK	1051	2	
Compromising	NL	910	5	
Darant Contrad	GER	1462	1	
Parent Centreu	AU	912	4	
Student Centred	UK	997	3	

In four out of the six countries, namely Denmark, Austria, the United Kingdom and the Netherlands, the maximum amounts available lie relatively close together, whereas in Germany the amount lays considerably higher, and in Finland lower than the others.

4.2.2. COVERAGE OF LIVING COSTS IN THE HOME COUNTRY

For the average amount receiver

For the second criterion it will be measured which percentage of living costs in the respective home country can be covered by students receiving the average amount of studying at home support calculated for the total student population. As it might be that the amount of support does not only cover the living costs entirely but even more than that, the percentages can also lie above 100. In general it means, the higher the percentage of living costs which can be covered, the more generous the national support system.

Living costs of the home country also include possible tuition fees a student has to pay.

Table 3: Ranking of the six countries under study with regard to the percentage of coverage of living costs at home by the average support

Model of Support	Country	Living Costs (in €)	Average Support (in €)	Coverage (in %)	Ranking
Independent	FI	757	283	37.4%	4
Student	DK	806	837	103.9%	1
Compromising	NL	932	454	48.7%	2
Darant Contrad	GER	704	341	48.4%	3
Parent Centreu	AU	754	251	33.3%	6
Student Centred	UK	1340	484	36.1%	5

Source living costs: (Carbonell, 2007) added with the inflation rates of 2007, 2008 and 2009 (EuroStat, 2012) and tuition fees (Department for Business Innovation and Skills, 2010, p. 61; EDALO - Education Promotion Services, 2009; Univillage.de, 2009)

By ranking the countries according to this criterion, Denmark sticks out as students receiving the average amount of support can more than completely cover their living costs. In Germany and the Netherlands this can be done for only nearly 50% of the costs, and in the other three countries even less can be covered.

For the best case amount receiver

The third criterion equals the second one, measuring which percentage of living costs in the home country can be covered by the student in the best case scenario, so the student study-ing at home who is eligible for all kind of support. Again this can result in percentages higher
than 100, and living costs are the same as for the first criterion. And, it also means that the higher the percentage of covering living costs, the more generous the student support system.

Table 4: Ranking of the six countries under study with regard to the percentage of coverage of living costs at home by the best case support

Model of Support	Country	Living Costs (in €)	Best Case Support (in €)	Coverage (in %)	Ranking
Independent	FI	757	563	74.3%	4
Student	DK	806	1051	130.4%	2
Compromising	NL	932	893	95.8%	3
Parent Centred	GER	704	1244	176.7%	1
	AU	754	511	67.8%	5
Student Centred	UK	1340	848	63.3%	6

Source living costs: (Carbonell, 2007) added with the inflation rates of 2007, 2008 and 2009 (EuroStat, 2012) and tuition fees (Department for Business Innovation and Skills, 2010, p. 61; EDALO - Education Promotion Services, 2009; Univillage.de, 2009)

One can observe that students receiving the best case support in their home country can cover more than the average living costs in Germany and Denmark. Almost everything can be covered in the Netherlands, and the lowest percentage can be found in the UK.

4.2.3. COVERAGE OF LIVING COSTS ABROAD

For the average amount receiver

For the fourth criterion, it will be measured in how many possible host countries an outgoing Erasmus student receiving the average amount of support calculated for the total student population can cover the living costs. In the more countries the living costs can be covered, the more generous the support system will be labelled.

When computing the living costs the Erasmus students will face in the host country, it is important to exclude possible tuition fees. According to the official Erasmus Student Charter all students are exempted from paying tuition fees in the host country (European Commission, 2006, p. 1).

The table below shows all possible host countries ordered according to their costs of living. Moreover, the amounts an average outgoing Erasmus student receives from each home country is listed The orange 'x' then indicates in which host countries this student is able to cover the living costs by the amount of support received from his home country. The overview at the end of the table allows the reader to quickly see in how many countries this is the case.

Table 5: Ranking of the six countries under study with regard to the number of host countries in which outgoing students receiving the average support can cover the living costs x: average support receivers are able to cover the living costs in the host country

			Outgoing students per Home Country						
		Living Costs	Independent Student M.		Compro- mising M.	Par Centr	ent ed M.	Student Centred M.	
			FI	DK	NL	GER	AU	UK	
Average s Erasmu	upport per s student	(in €)	283	837	528	341	275	292	
	Slovakia	374		Х	x				
	Poland	430		Х	X				
	Lithuania	470		х	x				
	Slovenia	503		Х	X				
	Bulgaria	520		х	x				
	Cyprus	541		х					
	Romania	543		х					
	Estonia	544		х					
	Croatia	550		Х					
	Malta	572		х					
	Czech Re- public	590		х					
	Portugal	621		х					
	Turkey	651		х					
Host	Latvia	656		х					
Country	Greece	682		х					
country	Germany	694		х					
	Austria	704		х					
	Spain	719		х					
	Luxemburg	750		х					
	Finland	757		Х					
	Hungary	764		х					
	France	767		х					
	Italy	772		X					
	Netherlands	797		X					
	Denmark	806							
	Belgium	814		X					

	Sweden	832		Х				
	Ireland	995						
	Norway	1023						
	UK	1037						
	Iceland	1330						
Nr. of								
Host			0	26	5	0	0	0
Countries								
Ranking			3	1	2	3	3	3

Source living costs: (Carbonell, 2007) added with the inflation rates of 2007, 2008 and 2009 (EuroStat, 2012)

Source student mobility data: (European Commission, 2011)

As can be seen in the table, in four countries out of the six (FI, GER, AU, UK) the living costs of no (zero) possible host country can be covered by the average Erasmus support for students. With the support from the Netherlands the living costs of at least five countries can be covered, whereas the case of Denmark is completely different with students receiving the average Erasmus support from there being able to cover the living costs in 26 countries.

For the best case amount receiver

Same as in criterion four, here it will be measured in how many possible host countries outgoing Erasmus students receiving the amount for a best case student can cover the living costs. Again, the higher the number of host countries in which the living costs can be covered, the more generous the national support system is.

The same kind of table as presented above will be used in order to see in how many countries outgoing students receiving the best case amount are able to cover the living costs. This will be indicated by a green 'x' for each country where this is the case. Table 6: Ranking of the six countries under study with regard to the number of host countries in which students receiving the best case Erasmus support can cover the living costs x: best case support receivers are able to cover the living costs in the host country

			Outgoing students per Home Country						
		Living Costs	Indepe Stude	endent ent M.	Compro- mising M.	Par Centr	ent ed M.	Student Centred M.	
			FI	DK	NL	GER	AU	UK	
Best case s Erasmus	upport per student	(in €)	956	1051	849	1244	645	545	
	Slovakia	374	х	х	Х	х	х	х	
	Poland	430	х	х	Х	х	х	х	
	Lithuania	470	х	х	X	х	x	х	
	Slovenia	503	х	х	x	х	x	х	
	Bulgaria	520	х	х	x	х	x	х	
	Cyprus	541	х	х	x	х	x	х	
	Romania	543	х	х	x	х	x	х	
	Estonia	544	х	х	x	х	х	х	
	Croatia	550	х	х	x	х	х		
-	Malta	572	х	х	x	х	х		
	Czech Re- public	590	x	x	x	x	x		
	Portugal	621	х	х	x	х	x		
	Turkey	651	х	х	x	х			
	Latvia	656	х	х	х	х			
	Greece	682	х	х	x	х			
	Germany	694	х	х	x				
Host	Austria	704	х	х	x	х			
Country	Spain	719	х	х	Х	х			
country	Luxemburg	750	х	х	x	х			
	Finland	757		х	x	х			
	Hungary	764	х	х	x	х			
	France	767	х	х	x	х			
	Italy	772	х	х	X	х			
	Nether- lands	797	x	х		х			
	Denmark	806	х		x	х			
	Belgium	814	х	х	х	х			
	Sweden	832	х	х	x	х			
	Ireland	995		х		х			
	Norway	1023		х		х			
	UK	1037		х		х			
	Iceland	1330							
Nr. of Host Countries			26	29	26	29	12	8	
Ranking			2	1	2	1	3	4	

Source living costs: (Carbonell, 2007) added with the inflation rates of 2007, 2008 and 2009 (EuroStat, 2012)

Source student mobility data: (European Commission, 2011)

When ranking the countries according to the number of countries in which students can cover the living costs with the best case Erasmus support, Denmark and Germany provide enough support to almost cover the costs in all countries, and Finish and Dutch students can cover them in 26 countries. In Austria and the UK this is with twelve and eight countries respectively considerably less.

4.2.4. SOURCES OF SUPPORT

The sources of the support also determine their generosity. As a fact, grants are generally more generous than loans because students do not have to pay the money back. Indirect support means lay somewhere between the other two, as they do not have to be repaid either, but are given to the parents instead of the students themselves. This results in some kind of a risk factor whether parents really pass on the support to their child, or not.

In order to be able to rank the countries, the available maximum amount of support in the home country will be split into the shares resulting from grants, indirect support and loans respectively. Then, it means the higher the support from grants, the more generous the national support system. According to this, the following ranking emerged:

Models of Support	Construitori	Percentag	Deriking		
	Countries	Grants	Indirect Support	Loans	Kanking
Independent	FI	62.5%	/	37.5%	3
Student	DK	66.2%	/	33.8%	2
Compromising	NL	54.2%	/	45.8%	4
Parent	GER	22.2%	11.2%	66.6%	5
Centred	AU	74.4%	25.6%	/	1
Student Centred	UK	27.4%	/	72.6%	6

Table 7: Ranking of the six countries under study with regard to the sources of support

In this ranking, Austria scored highest as the support system does not include any loans, but only a high share of grants and some indirect means. After this case the ranking is relatively straightforward as only the different percentages of grants and loans had to be contrasted. However, Germany scored higher than the UK at the end, as the share of grants in the German system is lower than in the UK, but due to indirect support means also the share of loans lays beneath the one of the UK.

4.2.5. ELIGIBILITY

This criterion is highly connected to criterion number six.

It will be looked at which percentage of the total student population is eligible for which support means. As it might be that one student receives support from more than one of the means, all percentages are taken by the total student population in the respective country. In general, it can be said that the higher the eligibility for grants, the higher the system scores at the generosity ranking.

However, it has to be pointed out that not all data might be accurate as there are, for example, always exceptions when a support means is universally applicable (students studying for too long, getting some other kind of support from the state etc.).

Eligible for... Model of Sup-Ranking Country Indirect port Grants Loans Support FL 96.5% 96.5% 2 Independent / Student DK 100% / 100% 1 Compromising NL 89% 100% 3 100% 29% 100% 4 Parent GER Centred AU 18.2% 55.1% / 5 Student UK 19.1% / 70.7% 5 Centred

Table 8: Ranking of the six countries under study with regard to the eligibility of students for the different kinds of support as percentage of the total student population

In the ranking, Denmark, Finland and the Netherlands lie relatively close together and seem to be quite generous as the support they offer is generally universal. Between this group of countries and the other three there is a huge gap. Germany scores best of these lower three countries, as, however, only 29% are eligible for a grant, but the indirect support, as well as the loan is universal. To make a distinction between Austria and the UK is not really possible, as they both have a similarly low eligibility percentage on grants, but different second sup-

port means. On the one hand, when looking at the overall rate of eligibility, the UK should score better than Austria, on the other hand, Austria provides indirect support in contrast to loans which is the more generous means. Due to this situation it was decided to let both countries rank equally.

4.2.6. Additional Study Abroad Support

For this criterion, mainly the question whether or not a country does provide special study abroad support will be evaluated. As there might be more than one country offering such support, the type (grant or loan) and the amount of support, as well as the eligibility for it will be considered when assigning ranks to the countries.

Table 9: Ranking of the six countries under study with regard to provided special study abroad support

Model of Sup- port	Country	Special Study abroad Support	Ranking
Independent Student	FI	Loan limit expands to 600€/month, universal; Housing supplement expands to 210€/month, universal	2
	DK	None	4
Compromising	NL	OV-kaart compensa- tion, universal, 91,17€/month	1
	GER	None	4
Parent Centred	AU	Scholarship, 18.2% eli- gible, on average 134€/month	3
Student Cen- tred	UK	None	4

The Netherlands are ranking highest on this criterion as the support the government provides is like a grant and universal for all students. Finland scores second, although, the main support is in form of a loan. However, a slight increase of the housing supplement, as well as the universal eligibility of the expanded loan limit makes this support more generous than the one from Austria.

In Austria only students eligible for *"Studienbeihilfe"* can get the additional support, which is 18.2% of the total student population. As this share of students most likely already struggles

with money (that should be the reason why they get "*Studienbeihilfe*") they might be even less likely to participate in the Erasmus program.⁵

Therefore, the share of students profiting from this support decreases even more which makes this system the least generous in this comparison.

4.2.7. TUITION FEES

In this category, the fact whether or not a government charges tuition fees or not will be taken into account. As there are more countries which do not charge tuition fees, these will be all labelled with 1, whereas the other countries will be ranked according to the amount of tuition fees charged.

Table 10: R	lanking of	the six cou	ntries und	er study with	n regard to	the amount	of tuition	fees
being char	ged							

Model of Sup- port	Countries	Tuition Fees	Ranking
Independent	FI	/	1
Student	DK	/	1
Compromising	NL	135€/month	3
Parent	GER	60€/month	2
Centred	AU	/	1
Student Centred	UK	303€/month	4

Source: (Department for Business Innovation and Skills, 2010, p. 61; EDALO - Education Promotion Services, 2009; Univillage.de, 2009)

Whereas in three out of the six countries no tuition fees have to be paid, the United Kingdom charges its students a considerably high amount. Also in the Netherlands students have to pay tuition fees, however, not as high as in the UK. With regard to tuition fees, Germany is a more complicated case as charging fees or not, as well as the amount of fees depends on the federal states. Therefore, in parts of Germany also no fees have to be paid, whereas in others amounts up to $500 \in 800 \in$ per semester apply (Univillage.de, 2009). The amount set here serves as a rough approximation for whole Germany.⁶

⁵ See section 2.1 "Student Choice Theory and the Impact of Financial means"

⁶ 7 of 16 federal states charge appr. 500€ tuition fees: 83,33€ for 43,75% of all states -> 52,5€ for all states 14 of 16 federal states charge appr. 100€ application fee: 8,33€ for 87,5% of all states -> 7,29€ for all states

4.2.8. Amount of Erasmus Grant

In this 10th criterion, the amount of the average Erasmus grant provided by the European Commission per home country and student will be included in the generosity ranking.

Table 11: Ranking of the six countries under study according to the average amount of Erasmus grant per country and student

Model of Sup- port	Countries	Amount of Erasmus Grant	Ranking
Independent	FI	233€	4
Student	DK	260€	2
Compromising	NL	244€	3
Parent	GER	224€	5
Centred	AU	185€	6
Student Centred	UK	365€	1

Source: (European Commission - DG Education and Culture, 2011a, p. 40)

Table 11 shows that the average amounts an outgoing student receives from the official Erasmus grant differ tremendously. Whereas both countries representing the Parent Centred Model, so Germany and Austria receive quite low amounts out of the grant, British students getting supported by a Student Centred approach, receive almost two times the amount of an Austrian student. Moreover, with on average 365 (month the British student also receives about 100 more than the next highest amount of 260 (month for Danish students. However, as the amount of Erasmus grant a country gets is also dependent on the living costs in the home country, these numbers are comprehensible.

4.3. SUMMARY

Resulting from the evaluation of the countries according to the ten criteria above on the basis of the calculations, in this section the information will be summarized and a final rank-ing conducted.

In the following table 12 the results of the previous sections have been collected and the final ranking will be calculated by adding the scores for each country and dividing it by the number of criteria.

Table 12: Final ranking of the six countries under study with regard to all ten generosity criteria

Generosity Criteria	FI	DK	NL	GER	AU	UK
Maximum amount available to students living in the home country	6	2	5	1	4	3
Coverage of living costs at home by the average support	4	1	2	3	6	5
Coverage of living costs at home by the best case sup- port	4	2	3	1	5	6
Coverage of living costs in host countries with the aver- age Erasmus support	3	1	2	3	3	3
Coverage of living costs in host countries with the best case Erasmus support	2	1	2	1	3	4
Source of support	3	2	4	5	1	6
Special study abroad support	2	4	1	4	3	4
Eligibility	2	1	3	4	5	5
Charging tuition fees	1	1	3	2	1	4
Amount of Erasmus Grant	4	2	3	5	6	1

Total	31	17	28	29	37	41
Final Ranking	3.1	1.7	2.8	2.9	3.7	4.1

The results of the final ranking show that Denmark has according to the criteria applied by far the most generous national student financial support system with a score of 1.7. After that, the Netherlands (2.8) and Germany (2.9) score almost equally and also Finland with 3.1 points lies not far away from these countries. However, Austria and especially the UK score with 3.7 and 4.1 respectively a lot lower than the other countries.

In the following analysis section it will be elaborated how the relationship between this generosity ranking and the overall student mobility rate in the respective countries turns out, and what the findings means with regard to the two hypotheses.

5. ANALYSIS

In the following section, both hypotheses will be tested with regard to the question "How are system generosity and Erasmus student mobility related?". In order to find an answer, the information collected in the previous sections and the data about Erasmus student mobility in the academic year 2009/2010 will be contrasted.

In order to test the first hypothesis it will be analysed whether outgoing students go study in more or less expensive countries so, it will be shown where Erasmus students coming from the six selected countries go.

In a next step, the second hypothesis will be tested by comparing the generosity rankings for the six support systems with the ranking of their overall student mobility rates, in order to see whether countries with more generous support systems indeed will show higher mobility rates.

5.1. Hypothesis 1

In this section, the first hypothesis will be tested.

"Students are more likely to spend their Erasmus study in a country in which they can easily cover their living costs with the support they get from their home country."

In order to be able to carry out this analysis, a quite complex table was arranged. All possible host countries have been ordered according to the amount of their living costs and the percentages of students of all six countries under study who went to each of these countries are presented. This provides the opportunity to mark all percentages of students who go to countries where they can afford to pay the living costs with the financial support they received from their home country in a specific colour.

Both, the average amount an outgoing student receives and the best case scenario for such a student will be elaborated. The percentages of students which can cover the living costs with the average amount of Erasmus support are coloured in orange, and the ones which can cover the living costs with the best case scenario support in green.

Table 13: Percentage of outgoing Erasmus students in six countries under study by living costs in the respective host countries

Orange: average Erasmus support receivers are able to cover the living costs in the host country

Green: best case Erasmus support receivers are able to cover the living costs in the host country

			Outgoing students per Home Country							
		Living Costs	Independent Student M.		Compromising M.	Parent Centred M.		Student Centred M.		
		(in €)	FI	DK	NL	GER	AU	UK		
	Slovakia	374	0.4%	0.2%	0.1%	0.2%	0.4%	0.2%		
	Poland	430	0.9%	1.9%	1.1%	2.3%	1.2%	0.1%		
Host	Lithuania	470	0.4%	1.4%	0.3%	0.4%	0.4%	0.2%		
	Slovenia	503	1%	0.4%	0.2%	0.3%	0.6%	0.1%		
	Bulgaria	520	0.2%	1.0%	0.1%	0.2%	0.1%	0.1%		
Country	Cyprus	541	0.6%	0.5%	0%	0.1%	0.1%	0.2%		

	Romania	543	0.1%	0.5%	0.2%	0.4%	0.5%	0.1%
	Estonia	544	1.1%	0.4%	0.2%	0.3%	0.5%	0.2%
	Croatia	550	0%	0%	0%	0%	0%	0%
	Malta	572	0.5%	0.9%	0.3%	0.3%	0.4%	0.5%
	Czech Re- public	590	3.4%	1.5%	0.9%	1.5%	1.7%	1.3%
	Portugal	621	2.4%	1.9%	2.4%	1.6%	2.4%	1.0%
	Turkey	651	0.7%	2.7%	3.9%	2.7%	1.5%	0.6%
	Latvia	656	0.2%	0.5%	0.2%	0.3%	0.1%	0.1%
	Greece	682	1.7%	0.8%	0.7%	0.7%	0.8%	0.5%
	Germany	694	15.7%	15%	10.2%		14.9%	14.2%
	Ø	704						
	Austria	704	5.5%	2.9%	2.0%	2.4%		2.2%
	Spain	719	15%	12.1%	17.6%	20.4%	16.4%	22.9%
	Luxemburg	750	0%	0%	0%	0.2%	0%	0.1%
	Finland	757		1.2%	4.3%	3.8%	5.5%	2.0%
	Hungary	764	2.3%	1.3%	1.5%	1.5%	0.9%	0.2%
	France	767	10.1%	10.9%	8.5%	17.3%	11.3%	32.7%
	Italy	772	3.8%	4.8%	4.8%	5.8%	7.6%	7.4%
	Netherlands	797	7.9%	6.3%		3.5%	4.5%	3.9%
	Denmark	806	1.7%		3.5%	2.9%	3.7%	1.7%
	Belgium	814	3.4%	2.2%	6.7%	1.9%	1.8%	2.1%
	Sweden	832	3.7%	2.2%	8.5%	8.3%	7.7%	2.7%
	Ireland	995	2.6%	1.9%	2.3%	3.5%	2.6%	1.1%
	Norway	1023	0.9%	3.5%	3.8%	3.2%	2.8%	1.1%
	UK	1037	13%	20.3%	15.5%	13.8%	8.9%	
	Iceland	1330	0.4%	1.2%	0.3%	0.4%	0.6%	0.1%
	Total		99.7	100.3	100.1	100.2	100	99.6
Total			0%	73.4%	1.8%	0%	0%	0%
iotai			82.8%	99.1%	78.2%	99.8%	8.3%	1.2%

Source living costs: (Carbonell, 2007) added with the inflation rates of 2007, 2008 and 2009 (EuroStat, 2012)

Source student mobility data: (European Commission, 2011)

It strikes the eye that for each of the six case study countries, the most popular destinations for an Erasmus stay abroad are France, Germany, Spain and the UK. This fits well in the overall distribution where Spain is the main receiving country, followed by France, the UK and Germany (European Commission - DG Education and Culture, 2011b, p. 33). Moreover, it is interesting to see that the countries which are cheapest and therefore, on top of the list seem not very popular among the Erasmus students. A significantly higher percentage of outgoing students chooses to go to countries in which the living costs lie above the average amount of 704€. As most of the cheaper countries on top of the list are newly joined Eastern member states and the more expensive ones are situated in Western Europe and participate in the program for a long time, this let assume that also experience with the program and geographical factors may play a role in a student`s decision-making.

With regard to the hypothesis, table 14 shows that in four out of the six countries (FI, GER, AU, UK) students receiving the average national financial support cannot cover the living costs for any of the host countries. This can be seen by the "Total" of 0% in the upper, or-ange, row in the table.

Moreover, also in the Netherlands only 1.8% of the outgoing students are able to cover the costs in the countries they are going to. However, in Denmark the situation is considerably different as almost three quarters (73.4%) of the outgoing student population can cover the living costs in their host country.

When evaluating the situation for students in the best case scenario (the lower, green row of the table's "Total"), the numbers change. Then, not only in Denmark, but also in Germany more than 99% of the Erasmus students can cover their living costs and also in Finland (82.8) and the Netherlands (78.2%) the shares are quite high. However, in Austria (8.3%) and the United Kingdom (1.2%) also for the best case students the ability to cover the living costs in their host countries stays low.

With regard to the hypothesis these results lead to the conclusion that the assumption cannot be approved.

Due to the fact that only in Denmark a considerable share of the outgoing student population receiving the average national support that can cover the living costs in their host country, and in the other five countries almost nobody is able to do this, the hypothesis has to be rejected. Looking at the best case scenario support, the situation positively changes for the students, but in Austria and the UK still a huge number of outgoing students goes to host countries in which they cannot cover the living costs.

So, the only country for which the hypothesis could be approved in both cases is Denmark, but this is only one out of six countries. Therefore, the hypothesis has to be rejected.

5.2. Hypothesis 2

In this section, the second hypothesis will be tested.

"The more generous a national student support system is, the higher will be the overall outgoing student mobility rates."

In order to evaluate whether or not this hypothesis holds for the six countries under study the generosity ranking of the respective support systems taken out in section 4.2 will be compared to the national student mobility rate.⁷

The table below shows this comparison, with the countries already being ranked according to the generosity of their financial support systems.

Table 14: Comparison of the generosity ranking and the student mobility rates in the six countries under study

Model of Support	Country	Generosity Rank- ing	Student Mobility Rate + Ranking		
Independent Student	DK	1.7	1.03%	5	
Compromising	NL	2.8	1.24%	3	
Parent Centred	GER	2.9	1.18%	4	
Independent Student	FI	3.1	1.53%	2	
Parent Centred	AU	3.7	1.66%	1	
Student Centred	UK	4.1	0.49%	6	
Course student mehility rates (European Commission DC Education and Culture					

Source student mobility rates: (European Commission - DG Education and Culture, 2011b, p. 30)

⁷ For further insight in the student mobility rates of all 33 countries see section II. *"Erasmus Student Mobility"* in the Appendix

The table shows that only in the UK both the generosity ranking and the student mobility rates fit together. The country has the lowest numbers in both criteria.

In all other countries the development almost seems to go in the opposite direction, which means that the lower the score for the generosity of the system the higher student mobility rates become.

Only the Netherlands are somewhat coherent with the hypothesis as a score of 2.8 for generosity and 3 for the student mobility rate are very close. However, in comparison with the other countries under study the Netherlands reach second place instead of third for the generosity which means that the results not really fit together.

The most extreme examples for this are Denmark and Austria. Denmark has the most generous support system with a score of 1.7 but this corresponds with the second lowest student mobility rate of only 1.03%. In contrast to that, Austria has with 1.66% the highest student mobility rate among the six countries but scores second last place with regard to national financial student support system generosity.

These results lead to the conclusion that the hypothesis cannot be approved.

Due to the fact that only in one out of six countries the scores for the ranking of student financial support system generosity and the European student mobility rates reached the same level among the countries under study, the hypothesis has to be rejected for this sample.

6. CONCLUSION

In this section, the most important findings and results of the bachelor thesis will be summarized. Therefore, the research question formulated at the beginning will be brought to mind again: *"To what extent does the generosity of national student financial support systems affect European student mobility?"*

In order to be able to answer this question six Western European countries participating in the Erasmus program have been analyzed. The financial support systems in these countries have been described and in the following evaluated according to several criteria which have been chosen to define generosity. In the main analysis part these generosity rankings have been contrasted with the student mobility rates of each of the six countries. Based on the two hypotheses, it was looked at the percentage of students who go to host countries in which they are able to cover the living costs with the national support they get, and on the overall rate of student mobility measured by the total student population.

After testing the hypotheses the results indicate that both of them cannot be approved by this thesis.

In the first hypothesis it was assumed that students would predominantly chose countries of destinations for their Erasmus experience in which they can easily cover the living costs with the financial support provided by the home country. However, the results showed that only in Denmark most of the students independent from whether they receive the average or the best case amount of support were able to cover the costs. In all of the other five countries almost no outgoing student receiving the average amount of support could cover the living costs in any of the possible host countries. For the best case students this situation improved considerably, but especially in Austria and the United Kingdom still only a very small percentage of students went to countries that were affordable for them.

This overall picture led to the rejection of this hypothesis which also implies that the financial support of the home country is not enough to be able to go on an Erasmus stay. Therefore, mobile students need to have additional resources which mostly are going to be provided by their parents. However, only parents who earn enough money are able to support their child to this extent which leads to the assumption that richer students are generally more likely to become mobile.

The second hypothesis emerged from the thought that the more generous the support of a home country is the living costs in most countries would be affordable for students which results in a wider choice range for a country of destination and, therefore, overall in an increased student mobility rate. For testing this hypothesis the concept of generosity was defined according to ten criteria and the six countries under study have been ranked after these criteria. The final ranking defined the financial support system generosity of each country in comparison to the others and was contrasted to the student mobility rates of the respective countries. It was found out that only one country seemed to comply with this assumption, namely the United Kingdom. The other five countries scored either high in the generosity ranking and low on the student mobility distribution, or the other way around. Therefore, also this hypothesis had to be rejected.

With regard to the four different models of student support which served as one of the case selection criteria, the findings of the analysis do not allow a hard statement. Whereas the assumption that the more generous a support system is the higher will also the student mobility rate of the country be and vice versa can be supported by the "Student Centred Model" in the UK, but not in any of the other models. However, as in this case the UK as only country represents the respective model it cannot be said certainly whether the levels of generosity and student mobility rate match not only by coincidence.

The result for the "Compromising Model" in the Netherlands is somewhat coherent with the hypothesis as a score of 2.8 for generosity and 3 for the student mobility rate are very close. However, in comparison with the other countries under study the Netherlands reach second place with its generosity score of 2.8. Therefore, it cannot be stated that it complies with the hypothesis.

In the "Independent Student Model" which was assumed to be quite generous, the results showed low generosity but high student mobility in Finland and high generosity but low student mobility in Denmark. The same was the case for Germany (high generosity, low student mobility) and Austria (low generosity, high student mobility), the two countries under study pursuing the "Parents Centred Model".

In order to come to a clearer result a more detailed study has to be conducted.

However, independent from the model of support, it can be assumed that students in almost all countries still seem to be highly dependent on parental support, whether this is intended by the government or not does not seem to make a difference. Therefore, students from high SES are more likely to become mobile as their parents are able to support them financially.

The added findings of this analysis imply that the financial aspect cannot be regarded separately when looking at the influencing factors of European student mobility, but has to be seen in the context of other factors. As it was mentioned before in section 2.2 "*Obstacles for Studying Abroad*", financial issues are only one of many others which can be a hindrance for study abroad aspirations. Other main obstacles are, for example, the problem of credit recognition and language barriers, but also which partner universities the own HEI has and many personal reasons which play a role. All these obstacles can also serve as positive incentives, if, for example, credit recognition is guaranteed at this university, or the student has relatives in the particular country. So, these might be reasons why students choose a specific country even if it is quite expensive.

In general, it seems that students who once decided for an Erasmus stay are not very priceresponsive anymore. A high share of students in each of the countries under study went to quite expensive (mostly Western European) countries.

Another factor which has to be taken into account is the financial support from the European Commission. The official Erasmus grant is distributed among the sending countries according to several criteria. So, outgoing Erasmus students can apply for this kind of support and will receive an average of 254€ per month.⁸ Nevertheless, it has to be kept in mind that support from this source is not certain and moreover, it cannot be foreseen how much money will be given out as the amount varies tremendously between the countries. However, the inclusion of this support will lead to an increased amount of money available to outgoing students which changes the number of countries students are financially save to go, as well as the percentage of students who go to countries where they can cover the living costs. These changes surely have an impact on both hypotheses. However, to analyse this impact is going beyond the scope of this thesis and needs to be tested further.

All in all, as an answer to the research question it can be stated that national financial student support system generosity seems to affect European student mobility to a smaller extent than expected. Especially the choice of the host country does not seems to depend on the amount of national support a student gets as the majority is going to countries in which they cannot cover the living costs.

Coming from this research, it will be interesting to see whether the European Commission will reach its goal that in 2020 20% of all graduating European students should have participated in a study or training abroad and what role financial incentives from both, the nation states and the European Commission will play in this process.

⁸ See Table 19 in the Appendix

7. DISCUSSION AND RECOMMENDATIONS

As in most other study, also in this bachelor thesis there was value added to the existing literature, but there is also some room for improvement.

The most important finding is that national financial support can hardly be seen as an isolated factor. According to this study, the financial incentives from the home countries are in most cases not really high. It was found out that even in the chosen quite wealthy Western European countries students mostly are not even able to cover the living costs in their own country, let alone in many host countries.

Therefore, a possible follow up study needs to take the other factors influencing a student's decision-making (credit recognition, language barriers, personal reasons) and also the official Erasmus grant from the European Commission more into account. It seems that only in this context the real impact of the national support system generosity can be observed.

Additionally, the relationship between the different models of student support and their generosity has been clarified. It was found out that one cannot determine the generosity of a national support system by its model. As nothing was known about this topic in the literature, now a first evaluation in this field exists.

Although, only six out of 33 participating countries have been studied with regard to the posed question, of course no generalization is possible, but a start was made which can be used as reference point for upcoming analyses. A follow up study could include an increased number of countries, maybe also taking countries from the east into account if they sufficiently caught up with regard to the Bologna standards.

Another issue in this thesis might be the huge amount of data. As data are never perfect and a lot of calculations have been conducted there is always the possibility that the results are not as accurate as they could be.

Moreover, one has to take into account that the living costs for students can vary tremendously within all countries, depending on the region and city one is living in, and also between universities. Especially in England living costs differ a lot between the region of London and elsewhere in the country. Lastly, as generosity is no universally defined concept the criteria which have been chosen for measuring are not academically confirmed. The criteria seem to be good determinants for generosity, but it can always be that some of them might not have the intended impact on generosity, or some important ones might have been left out. However, a follow up study should stick to these criteria for better comparability unless some strong reasons force for changes.

Generally, in order to get a clearer insight into the extent to which national student financial support system generosity affects European student mobility, the other countries participating in the program should be analysed by the same procedures used in this study. The calculated generosity rankings compared to the countries overall mobility rates might reveal a pattern which cannot be observed in the small sample.

Moreover, especially the impact of the official Erasmus grant seems to be an interesting topic, in order to see how generosity rankings change.

With regard to the impact of the other factors the European Commission already asked the students about their personal impressions in their 2009 version of the Flash Eurobarometer No. 260 (European Commission, 2009b). Therefore, it would be interesting to find hard data on criteria like credit recognition and the level of language proficiency needed, and then compare them to the findings of the Flash Eurobarometer.

As this is very difficult to achieve, conducting in depth case studies could give a better understanding of the processes within the countries which influence student mobility. This would be also interesting with regard to the different models of support systems again. Moreover, typical features and perceptions of different nations can be taken into account.

All in all it can be said that a lot was found out during the conducted analysis and also various new questions evolved. With the proposed recommendations for possible follow up studies a valuable extension of this bachelor thesis can be put forward in the future.

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APPENDIX

Table 15: Outgoing Erasmus students as share of total student population per country, 2009/2010

Country	Outgoing Erasmus students as share of total student nonula-		
	tion per country (%)		
Croatia	0.17		
Turkey	0.30		
Romania	0.36		
UK	0.49		
Greece	0.50		
Bulgaria	0.62		
Norway	0.62		
Poland	0.65		
Cyprus	0.70		
Sweden	0.71		
Slovakia	0.92		
Ø	0.94		
Denmark	1.03		
Hungary	1.04		
Italy	1.05		
Ireland	1.17		
Germany	1.18		
Slovenia	1.20		
Netherlands	1.24		
Iceland	1.33		
Estonia	1.37		
Latvia	1.38		
France	1.39		
Lithuania	1.42		
Czech Republic	1.43		
Portugal	1.44		
Belgium	1.49		
Finland	1.53		
Austria	1.66		
Spain	173		
Malta	1.83		
Liechtenstein	3.32		
Luxemburg	15.71		

Source: (European Commission - DG Education and Culture, 2011b, p. 30)

		Student Mobility Rate			
		Low	Medium	High	
Generosity	Low	UK	GER	AU	
	High	DK	NL	FI	

Table 16: Countries categorized according to level of generosity and student mobility rates

As there are only four different models they have been labelled as either being highly generous or low on generosity.

Table 17: Overview of the calculations for the three ideal types

Average	Student	Best Case	e student	Maximum		
In Home	At Erasmus	In Home	At Erasmus	In Home	At Erasmus	
Country	stay	Country	stay	Country	stay	
Average amount for total student population of universal grants	Average amount for total student population of universal grants	Maximum amount of universal grants	Maximum amount of universal grants	Maximum amount of universal grants	Maximum amount of universal grants	
Average amount for total student population of means-tested grants	Average amount for total student population of means-tested grants	Average amount for eligible stu- dents of means-tested grants	Average amount for eligible stu- dents of means-tested grants	Maximum amount of means-tested grants	Maximum amount of means-tested grants	
Average amount for total student population of universal loans	Average amount for total student population of universal loans	Maximum amount of universal loans	Maximum amount of universal loans	Maximum amount of universal loans	Maximum amount of universal loans	
Average amount for total student population of means-tested loans	Average amount for total student population of means-tested loans	Average amount of eligible stu- dents of means-tested loans	Average amount of eligible stu- dents of means-tested loans	Maximum amount of means-tested loans	Maximum amount of means-tested loans	
Average amount for total student population of tuition fee loans		Maximum amount of tuition fee loans		Maximum amount of tuition fee Ioan		

Average amount for total student population of all indirect support means	Average amount for total student population of all indirect support means	Average amount for eligible stu- dents of all indirect sup- port means	Average amount for eligible stu- dents of all indirect sup- port means	Maximum amount of all indirect sup- port means	Maximum amount of all indirect sup- port means
	Average amount for total student population of special study abroad sup- port		Average amount for eligible stu- dents of spe- cial study abroad sup- port		Maximum amount of special study abroad sup- port

I. DETAILED CALCULATIONS

This section will put forward an overview about the financial support students get from their home countries. Direct support means as grants and loans, as well as indirect means like family allowances and tax benefits will be elaborated.

INDEPENDENT STUDENT MODEL

FINLAND

The national financial student support system in Finland is based on the "Independent Student Model". As in all other Nordic countries, students themselves get the support directly and the majority is eligible for grants and loans.

The system consists of a universal grant and loan, as well as a special housing supplement. In total, 845.000.000€ were spend on student support and given out to 304.591 students in the academic year 2009/2010 (Kela, 2011, p. 12). This amounts to a share of eligible students of 98.3% with a total student population of around 310.000 (Bundesagentur für Arbeit, 2010).

The grant is universally applicable with about 96.5% of the total student population really receiving it. The amount depends on age, housing situation, marital status, and sometimes the parent's income and ranges from 55€ to 298€ per month (Kela, 2012, p. 22). A parental

income of up to 40.800€/year has no influence on the amount of the grant, all income lying above this ceiling reduces the benefit (Kela, 2009).

In 2009, 516.685.522€ were spend on 299.265 students which makes the amount for the best case scenario student 145,94€ (Kela Statistics, 2012).⁹ For the total student population this makes up for an average amount of 138,89€/month, whereas the student who receives the maximum amount gets 298€/month.¹⁰

Study loans are provided by Finnish banks and guaranteed by the government. Although, they can be taken out by all students receiving the grant, only 37.8% really made use of it. In total, 21.800.00€ were guaranteed by the government for 117.051 students (Kela, 2011, p. 12; Kela Statistics, 2012). This leads to an amount of 70,32€ per month for the average student.¹¹ At maximum an amount of 300€/month can be taken out, which also equals the amount a student in the best case situation gets (Kela, 2012, p. 23).

A special feature of the Finnish system is the housing supplement which covers 80% of a student's rent (Kela, 2012, p. 22). The rent needs to be between $33,63 \in$ and $252 \in$ per month, which means that the maximum a student can get amounts to $201,06 \in$ /month (Kela, 2012, p. 22). In 2009, the supplement was paid to 194.608 students which represent 62.8% of the total student population. A total amount of $275.880.915 \in$ was spend by the government, therefore, the average student received an amount of $74,16 \in$ per month.¹² Moreover, the eligible students got an average amount of $1400,59 \in$ per year, so, $116,72 \in$ per month (Kela Statistics, 2012).

Overall, the average Finnish student living in Finland receives a total of 283,37€/month, the student in the best case scenario 562,66€/month, and the maximum a student can get lies at 799,6€/month.

When a Finnish student decides to participate in the Erasmus program, some things change with regard to the national support.

⁹ 516.685.522€ : 299.265 = 1751,30€/year -> 145,94€/month

¹⁰ 516.685.522€ : 310.000 = 138,89€/m

¹¹ 21.800.000€ : 310.000 = 70,32€

¹² 275.880.915 : 310.000 = 889,94€/y -> 74,16€/m

As the amounts for the grant stay stable, the maximum amount of the loan increases to 600€/month and the housing supplement can be up to 210€ per month (Kela, 2012, pp. 22-23).

Therefore, the average outgoing student receives 283,37€/month, the student in the best case scenario 955,92€/month, and the maximal amount lies at 1099€ per month.

DENMARK

In Denmark, financial student support is organized according to the `Independent Student Model`. Equal to Finland, also a high share of the student population is eligible for the support. In Denmark every student above the age of 18 studying in a Danish HEI is eligible for public support.

This support includes a universal maintenance grant which gets paid on a monthly basis for the duration of a bachelor and master study and, if necessary, an additional one year period. The amount of support for a student not living at his parent's house was at DKK5384 per month in 2010 (Vossensteyn, et al., 2010, p. 123).

Moreover, all students are entitled to take out a state loan of DKK2755 per month in order to cover additional costs (Vossensteyn, et al., 2010, p. 123). This loan is taken out by about half of the total student population (Styreisen for Videregående Uddannelser og Uddannelsesstøtte, 2011). Which means that the average Danish student receives DKK1377,5 per month, whereas the student in the best case scenario receives the full amount of DKK5384.¹³

When looking at the average amount a Danish student living in Denmark has at his disposal, a sum of DKK6761,5 comes together for the average student, whereas in the best case, a student can have DKK8139 at his disposal. Converted into the currency of comparison, the Euro, this amount to a budget of 837,11€/month, and 1050,99€/month respectively (MBH Media, 2012a). In the Danish system, the amounts for the best case student always also resemble the maximum amount a student can get.

¹³ DKK 2755 : 2 = DKK1377,5

When Danish students decide to go abroad for an Erasmus study, nothing changes with regard to the national support. As there is also no further support for going abroad, the amounts stay the same.

COMPROMISING MODEL

THE NETHERLANDS

The financial support system in the Netherlands, a `Compromising Model`, aims at distributing the responsibility for the study costs between students and their parents.

The system consist of a mixture of a universal grant, a means-tested supplementary grant, one loan for covering living costs and one for tuition fees, as well as an public transport card. Moreover, a parental contribution is expected which is interchangeable with the supplementary means-tested grant.

The basic grant ("*basisbeurs*") is universal, which indicates that every Dutch student under the age of 30 is eligible to get money from it (Ministerie van Onderwijs Cultuur en Wetenschap, 2012b). The fixed amount for students who live on their own was at 260€ per month in the academic year 2009/2010 (NIBUD, 2010, p. 15).

Although the grant is universally applicable, only 89% of the total student population really receives it. This is due to the fact that students who study for too long, who do have a too-well paid job, or receive orphanage support are not eligible for the grant anymore. Therefore, the average amount for the total student population lays at 231,4€/month.¹⁴ Students in the best case situation receive the maximum amount of 260€ per month.

If the student's parents are financially not able to support their child up to a sufficient level, a supplementary means-based grant comes into place. The so called "*aanvullende beurs*" (supplementary grant) closes the gap between what the Dutch government estimates as a `standard amount` to be a sufficient support for students and the support parents can give their child (Ebens, Elk, Webbink, & Booij, 2011, p. 11). About 50% of the total student population is eligible for this grant and received on average 215,95€ per month (Dienst Uitvoering

¹⁴ (260€ : 100) x 89 = 231,4€

Onderwijs, 2012a; NIBUD, 2010, p. 15). This accounts then to an average of 107,98€ per month for the total student population.¹⁵

The Dutch government also offers a universal study loan ("*rentedragende lening*") which can be taken out by all students if they need additional support. They are offered a maximum amount of 282€ per month (NIBUD, 2010, p. 15).

However, only 41% really take out this loan and receive an average amount of 236,47€ per month (Dienst Uitvoering Onderwijs, 2012b; NIBUD, 2010, p. 15).¹⁶ This means that the average amount for all Dutch students is about 96,95€ per month, whereas a student in the best case scenario receives the maximum amount of 282€/m.¹⁷

Additionally, a loan which is meant to cover tuition fees is universally available (so called *"collegegeldkrediet"*). The maximum loan equals the amount of tuition fees of the respective academic year, which was $1620 \in$ for 2009/2010 (EDALO - Education Promotion Services, 2009). This amounts to a monthly instalment of maximal $135 \in$ per month (NIBUD, 2010, p. 15). As only 13% of the total student population really takes out this loan, the average amount for each student sums up to $17,55 \in$ /month (NIBUD, 2010, p. 15).¹⁸ But again, the student in the best case scenario is assumed to take out the full amount of $135 \in$ every month.

Summarizing, this means that an average Dutch student living in the Netherlands has an amount of 453,88€/month at his disposal, whereas a student in the best case scenario can receive an amount of up to 892,95€/month. At maximum an amount of 910€/month per student is offered by the government.

Calculating the amount for Dutch outgoing Erasmus students, on the one hand, one needs to subtract the amount of the tuition fee, and on the other hand, add the compensation for the travel card (*OV-kaart*).

The *OV-kaart*, a card for students to use public transport for free, is a special feature of the Dutch system for which again every Dutch student is eligible. This card can be transferred

¹⁵ (215,95€ x 50) : 100 = 107,98€

¹⁶ 371,47€ - 135€ = 236,47€

¹⁷ (236,47€ : 100) x 41 = 96,95€

¹⁸ (135€ : 100) x 13 = 17,55€

into cash support if the student decides to participate in a study abroad experience and, therefore, cannot use the benefit as he is not in the Netherlands. The compensation amounts to about 91,17€ per month (Ministerie van Onderwijs Cultuur en Wetenschap, 2012a).¹⁹

Due to these changes, the average Dutch outgoing Erasmus student receives 527,5€ and the best case scenario student 849,12€/month (European Commission - DG Education and Culture, 2011b, p. 41). Generally, a student can receive a maximal amount of 866,17€ per month.

PARENT CENTRED MODEL

GERMANY

The German system of student financing is build after the so called `Parents Centred Model`. This implies that parents bear the main responsibility for their children`s education and therefore, are supposed to financially support them as far as possible. The government set the monthly amount a student not living at his parent`s house needs at 640€ (Isserstedt, Middendorff, Kandulla, Borchert, & Leszczensky, 2010, p. 184). Only if the parents cannot provide these financial means the German state offers further support.

Most of this support from the state is provided through a means-tested mixture of a grant and a loan, as well as trough indirect support for the parents. Moreover, a loan can be taken out but is only used by a very small share of the student population.

According to the so called "Bundesausbildungsfördungsgesetz", short "BAföG", students no older than 30 years can get supported by the state. However, the actual amount of the benefit is bound to the size of the student's own assets, the parent's and the student's income and also number of siblings. If the parents earn less than ≤ 18.660 per year students are eligible for receiving "BAföG" (Department for Business Innovation and Skills, 2010, p. 113). Independent from the level of support, half of it will be a non-repayable grant and half of it an interest rate free loan. The maximum amount a student has to pay back after finishing his studies lies at $10.000 \in$ (Deutsches Studentenwerk, 2009).

¹⁹ Data from 2012

According to Isserstedt et al. (2010), 29% of all German students received on average 430€ per month of "BaföG" (Isserstedt, et al., 2010, p. 182). This then applies to the student living in the best case scenario, whereas the average student measured by the total student population receives an average of 124,7€/month.²⁰ At maximum an amount of 648€ per month is possible (Deutsches Studentenwerk, 2009).

In addition to this, students can also take out a loan ("Studienkredit") provided by the KfW banking group and secured by the German government. The maximum amount possible to take out lies at 650€ per month, which also refers to the best case scenario (KfW Bank, 2012). However, only 3% of the students really take out an average of 411€/month of this loan, which leads to an average amount of 12,33€/month for the total student population (Isserstedt, et al., 2010, p. 182).²¹

The main part of support by the German state lies in the universally provided indirect support means. From the day of birth up to the 25th birthday (if the child still follows educational training) parents are eligible for the so called "Kindergeld". The amount is staggered according to the number for children and lay in 2009 at 164€ for the first child (Isserstedt, et al., 2010, p. 185).

Connected to this, if parents are eligible for "Kindergeld" but the amount of taxes they can save exceeds the amount of "Kindergeld" they would get, then they can receive "Kinderfreibetrag", a tax benefit of up to 6024€ per child (Isserstedt, et al., 2010, p. 185). This applies to parents with an income of about 67.000€ per year (Arlamowski, Korn, & Gith, 2012). In total parents can get support of at least 164€ up to 243€/month per child (Isserstedt, et al., 2010, pp. 185-186). This means that the a student can maximal get 243€/month and on average, as well as in the best case scenario he receives 203,5€/month.²²

There are further loans and also scholarships in place which are, however, only used by about 1% of the total student population and are not included in this evaluation as they would falsify the general outcome.

²⁰ (430€ x 29) : 100 = 124,7€ ²¹ (411€ x 3) : 100 = 12,33€

^{(164€ + 243€) : 2 = 103,5€}

So, in total the average German student living in Germany does have 340,53€/month at his disposal. When evaluating the situation for students in the best case situation and also for the maximum amount a student can get, some distinctive features have to be considered.

As both, the "BAföG" and the "Kinderfreibetrag" are dependent on the parental income it will not be possible for a student to benefit from both means at one time. Therefore, with regard to public support, the best case situation for a student would be to receive the average amount of "BAföG" and no "Kinderfreibetrag", but merely "Kindergeld". This means this student gets an amount of 1244€ per month.

The above mentioned situation also means that the available maximum amount relies on the same logic and includes the full "*BAföG*" support as well as the "*Kindergeld*", and sums up to 1462€/month.

If a German student decides to participate in the Erasmus program nothing changes in terms of national support, and the average outgoing student still receives 340,53€/month, the student in the best case scenario 1244€/month, and the maximum amount possible lies at 1462€/month.

AUSTRIA

As in Germany, the Austrian system represents the so called `Parents Centred Model` of financial student support. According to Austrian law the parents of a student are in charge of financially helping their child to attain a successful degree. Only if parents are not (sufficiently) able to do this, students are eligible for a grant. The public support does not only consist of direct support for the students, but also of family allowances and tax benefits for the student`s parents.

Loans are available from private banks but not supported from the government.

Overall, more than half of the student's parents (55.1%) benefit from the so called "Familienbeihilfe" which supports parents staggered according to the number of children they have (Unger et al., 2010, p. 304). For the first child, parents can get 152,7€ (Bundeskanzleramt Österreich, 2012b). This means that in the best case scenario a student gets an amount of 152,7€, which is also the maximum he can get. The average for the total student population lies at 84,14€, as only 55.1% are actual receivers.²³

In addition to that, a so called "*Kinderabsetzbetrag*" is provided alongside the "*Familienbei-hilfe*". The support is staggered again according to the number of children. The maximal monthly amount per child is $58,4\varepsilon$, but as again only 55.1% of the parents of the total student population really receive this support, the average amount per student lies at $32,18\varepsilon$ per month (Bundeskanzleramt Österreich, 2012a).²⁴

The 55.1% of parents which are eligible for at least six month of "*Kinderabsetzbetrag*" are also eligible for a tax benefit, the so called "*Kinderfreibetrag*". How much of a tax benefit they get depends on whether one or two tax payers claim benefits for the same child. For two applying people an amount of $132 \in$ each will be guaranteed, whereas if only one persons claims this benefit sums up to $220 \in$ (Bundeskanzleramt Österreich, 2012a). Therefore, the average benefit for the total student population lies at $242 \in$ per year $(11,11 \in$ /month).²⁵ In the best case scenario the parents get the average benefit of $242 \in$ /year and $20,17 \in$ per month.²⁶ The maximum can be received when both parents get a tax benefit of $132 \in$ /year each, which then amounts to $22 \in$ /month.²⁷

Furthermore, 18.2% of the students receive a grant, the so called "Studienbeihilfe" which can amount up to a maximum benefit of $679 \in$ (Österreichische Studienbeihilfenbehörde, 2011b). Due to the fact that in reality only 18.2% of the students are eligible for the grant, the average amount per student per month lies at 123,58€ for the total student population, whereas the average among the 18.2% amounts to 280€/month (Unger, et al., 2010, p. 307).²⁸

This means in general, that the average Austrian student living in Austria receives about $251,01 \in$ per month, whereas in the best case a student benefits from a support of $511,27 \in$ /month. The amount of all support possible sums up to $912,1 \in$ per month.

²³ (152,7€ : 100) x 55.1 = 84,14€

²⁴ (58,4€ : 100) x 55,1 = 32,19€

²⁵ ((2 x 132€) + 220€) : 2 = 242€

^(242€ : 100) x 55,1 = 133,34€/y -> 11,11€/m

²⁶ 242€ : 12 = 20,17€

²⁷ (132€ x 2) : 12 = 22€

²⁸ (679€ x 100) : 18.2 = 123,58€

When taking part in the Erasmus program, Austrian students eligible for "Studienbeihilfe" (18.2%) can additionally apply for a special scholarship for studying abroad. This support is granted for a maximum of 20 month if the courses made abroad are fully recognized in the Austrian system. As the amount a student can get for an exchange within Europe lays between 73€ and 269€ depending on the country of destination, therefore, for the best case scenario as well as the maximum the average amount of 134€/month will be considered (Österreichische Studienbeihilfenbehörde, 2011a).²⁹ Due to the restricted eligibility, the average amount for the total student population lies at 24,39€/month.³⁰

Then the average outgoing Erasmus student receives a total amount of 275,4 (month, in the best case a student benefits from 645,27, and at maximum a student can receive 1046,1 (m.

Country	Amount of " <i>Auslandsbeihilfe</i> " (in €)
Belgium	196
Bulgaria	94
Croatia	73
Cyprus	73
Czech Republic	73
Denmark	269
Estonia	73
Finland	189
France	160
Germany	131
Greece	73
Hungary	73
Iceland	291
Ireland	138
Italy	138
Latvia	73
Liechtenstein	218
Lithuania	73
Luxemburg	174
Malta	73
The Netherlands	116
Norway	269

Table 18: Austrian "Auslandsbeihilfe" per country and student per month

²⁹ For further details see Table 22 in the Appendix

³⁰ (18,2 x 134€) : 100 = 24,39€/m
Poland	94
Portugal	73
Romania	73
Slovakia	73
Slovenia	73
Spain	87
Sweden	269
Turkey	182
United Kingdom	276

Source: (Österreichische Studienbeihilfenbehörde, 2011a)

STUDENT CENTRED MODEL

UNITED KINGDOM - ENGLAND

In the United Kingdom, with regard to student financial support the so called `Student Centred Model` is in place. British society sees the responsibility for a student`s situation in his own hands, despite the silent expectation that parents support their child additionally.

It has to be pointed out, that this summary of the financial support means for students is restricted to the country of England due to information availability. As the majority of all students studying in the UK visit a HEI institution in this part of the country, the data still represent a large share of students in the whole Kingdom. The total full-time undergraduate, and therefore eligible for public support, student population in England was about 1.095.800 in the study year 2009/2010 (Directgov, 2012; Higher Education Statistics Agency, 2010).³¹

The support system in England consists of a means-tested grant, a partly universal, partly also means-tested loan as well as a loan covering tuition fees.

The maintenance grant is available to students whose parents do have an income which lies under the threshold of £50.020 per year. Students with parents earning less than £25.000 per year receive the maximum amount of £2906, whereas the students with parental incomes between the two thresholds get staggered support according to the respective earnings (Department for Business Innovation and Skills, 2010, p. 62). In the academic year

³¹ Full-time undergraduate student for England in 2009/2010

2009/2010 around 209.000 students received money from this grant, which resembles a share of 19.07% of the total student population (The Student Loans Company, 2010, p. 11). Overall £462.000.000 were spend on the maintenance grant, which amounts to £35,13/month for the average student studying in England, whereas the best case scenario for a student would be to receive the average of £184,21/month.³² The maximum amount available lies at £242,17 per month (The Student Loans Company, 2010, p. 11).³³

The maintenance loan is to a share of about 72% universal for all students and leaves the rest of 28% as a means-tested part (Directgov, 2011). The possible maximum amounts derive from the students living circumstances, living at home, living on his own and living inside or outside the city of London, respectively (Department for Business Innovation and Skills, 2010, p. 62). About 74,79% of the total student population received a maintenance loan with a maximum amount of £4950 per year (£412,5/month) (The Student Loans Company, 2010, p. 8). The average loan taken out by a student in 2009/2010 lay at £3590/year (£299,17/month), which resembles the best case scenario (The Student Loans Company, 2010, p. 16).

When calculated for the total student population, around £224,04 per month would be available for each student.³⁴

The additional loan students can take out is meant to at least partly cover the HEI's tuition fees. The loan is universal for all students and equals the amount of tuition fee charged at each student's university. The maximum take out rate always equals the maximum tuition fee charged at a HEI. In the study year 2009/2010, this ceiling lay at £3225 per year (Department for Business Innovation and Skills, 2010, p. 61). This amounts to a possible take out rate of £268,75 per month which applies to the best case scenario and the maximum. The actual average amount of £3063,83/year which was paid to 66.5% of the total student population results in an average of £2037,43/year (£169,79/month) for 100% of the British students.³⁵

³² £462.000.000 : 1.095.800 = £421,61/year -> £35,13/month

^{£462.000.000 : 209.000 = £2210,53 -&}gt; £184,21/month

 $^{^{33}}$ £2906 : 12 = £242,17

 $^{^{34}}$ £2.946.000.000 : 1.095.800 = £2688,45/year -> £224,04/month

 ³⁵ only students studying in England have been considered: 5100 + 723.600 = 728.700 (5100 x £1070 + 723.600 x £3010) : 728.700 = £3063,83 (The Student Loans Company, 2010, p. 19)

Overall, the total financial support an average British student living in England has to his disposal lies at £428,96 per month. In the best case, he can receive £752,13/month as students who are eligible for the maintenance grant are not anymore eligible for the total amount of maintenance loan. The fixed amount a student can at best get from both maintenance means is £7392/year (£616/month) considering the different amounts offered to students living inside and outside London (The Student Loans Company, 2010, p. 8)^{. 36}

Therefore, the maximum amount a student can really receive from the maintenance grant and loan is not equal to the sum of the two separate maximum amounts. This also means that in England the actual maximum amount of £923,42 (1041,71€) cannot be received in reality.

Transferred into the currency for comparing, the Euro, this amounts to approximately \notin 483,91 per month for the average British student, and up to \notin 848,48 per month for a student exhausting the full benefits (MBH Media, 2012b). The available maximum amount for students lies at 997,24 \notin (£884/month).

There are additional bursaries and scholarships available from the universities which cannot be included in the calculations as their amount depends on the tuition fees and generosity of the respective institutions (Department for Business Innovation and Skills, 2010, p. 61).

When participating in the Erasmus program, British students can still use their maintenance grant and loan support. However, the loan covering tuition fees will be excluded due to the reasoning mentioned earlier.

This means that the average British outgoing student then has about 292,37€/month at his disposal, and the best case student 545,3€/month. At maximum a student could receive a total amount of 694,91€ per month.

³⁶ Average of £6403 for elsewhere and £8381 for London

Country	Average Erasmus Grant (in €)
Croatia	145
Spain	152
Austria	185
France	193
Czech Republic	208
Italy	212
Germany	224
Belgium	226
Finland	233
The Netherlands	244
Ø	254
Denmark	260
Luxemburg	269
Ireland	291
Portugal	291
Lithuania	328
Hungary	345
Norway	351
Slovenia	351
Latvia	356
Slovakia	357
United Kingdom	365
Poland	376
Sweden	390
Estonia	405
Iceland	428
Turkey	462
Romania	469
Malta	490
Greece	504
Bulgaria	541
Cyprus	769
Liechtenstein	861

Table 19: Average Erasmus grant per country and student per month in 2009/2010

Source: (European Commission - DG Education and Culture, 2011b, p. 40)

II. ERASMUS STUDENT MOBILITY

In the chart below, one can see the percentage of outgoing Erasmus students as a share of the total student population of the academic year 2009/2010. The average was calcu-

lated according to the proportion of all outgoing Erasmus students on the total student population of the participating countries. The total student population comprised about 22.8 million students in 2009 (European Commission - DG Education and Culture, 2011b, p. 29).

Figure 5: Outgoing Erasmus students as share of total student population per country



Outgoing Erasmus students as share of total student population per country in %, 2009/2010

Source: (European Commission - DG Education and Culture, 2011a)

When analyzing this chart, one has to take into account that both, Luxemburg and Liechtenstein only have one higher education institution themselves. With obviously few opportunities in their own countries, students seem to be more willingly to take part in the program (European Commission - DG Education and Culture, 2011b, p. 29).

The six countries under study do have quite different mobility rates. With 1.66% in Austria and 1.53% in Finland these are two of the top sending countries. The Netherlands with 1.24% and Germany with 1.18% lie more in the middle of the distribution, and Denmark with a rate of 1.03% finds itself close to the overall average (0.94%). In contrast to that, the United Kingdom is one of the four countries at the lower end of the chart with only 0.49% of its student participating in the program (European Commission - DG Education and Culture, 2011b, p. 30).