

## A discussion of the political potential of Social Accounting

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## Abstract

This paper presents a Social Account of Glasgow students' experience of working part-time while in full-time education. The Social Account was produced from an analysis of 1735 questionnaires from students in their third year at the three central Glasgow Universities. Aside from presenting a social account, the paper re-evaluates the existing mode of production of Social Accounts. The purpose of this is to add to the various streams of Social and Environmental Accounting and perhaps to point it in a slightly different direction. It argues that Social Accounts should be produced independently of the management of organizations and in order to disrupt current ideological understandings they should be theoretically driven. This paper while applauding the thoughtful and thought provoking work of many Social and Environmental researchers goes over some old arguments and presents an alternative as a means of developing the Social Accounting arena. It proposes that the production of something akin to early social audits aligned to contemporary social struggles and action groups (e.g. trade unions) would promote the potential to create a more equitable society.

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Social and Environmental Accounting (SEA) has commanded considerable attention in the academic accounting literature (see e.g. Adams, 2002; Bebbington, 1997; Bebbington et al., 1999; Buhr, 2002; Everett and Neu, 2000; Gray et al., 1988, 1995, 1997; Lehman, 1995, 1996, 1999; Lewis and Unerman, 1999; Mathews, 1997; Milne, 2002). This paper is intended to add to this literature both theoretically and empirically and through the unity of the two (praxis). The empirical contribution is through a Social Account of the financial hardship of undergraduate students in Glasgow, Scotland, which the authors developed. In order to produce a comprehensive Social Account questionnaires were sent to all third year undergraduate students at the three central Glasgow Universities (Glasgow, Glasgow Caledonian and Strathclyde).<sup>1</sup> The findings of the Social Account are reported in the paper alongside the political and economic context in which it was launched. The Social Account originated during the period in which Scotland opened its own parliament and the New Labour government introduced tuition fees. These two factors heightened the debate surrounding the funding of higher education especially in Scotland.

The theoretical framework used both in the production of the Social Account and the paper's discussion of some of the issues surrounding Social Accounting is Marxist. One element of Marxism which might be seen as informing the Social Account is simply that of exposure, of laying bare the real conditions of the exploited and oppressed, of polemicalising against capitalism. This might be seen as standing in the tradition of Marx himself as a journalist (*Neue Rheinische Zeitung*). The second element which informs the Social Account is the Marxist dialectical understanding that society is animated by the incommensurable interests between capital and labour. This means that capital needs to pay the lowest achievable wages and try to maintain the maximum output from its workforce while labour wishes to try to earn the maximum wages possible. Educational attainment is a traditional means through which labour has attempted to obtain the maximum income possible. Thus there is a high demand for higher educational qualifications. If students do not have a way to support themselves through the education process, they will of necessity seek part-time employment. In this setting bright, well-motivated, mostly un-unionised, hard-up students become targeted as cheap employees. The Social Account demonstrates that the low pay, long hours and poor conditions of student workers impacts negatively on their educational experience.

The Marxist theoretical framework is also used to consider some extant literature in Social and Environmental Accounting. This literature has a kind of progressive edge to it in the sense that it sees the production of SEAs as having the potential to create a fairer more just society. While this is a worthy motive, the idea that individual company information (albeit in the form of a company SEA) can be used to make socially efficient decisions is questioned. SEAs produce very poor information from a total societal perspective. Moreover, there appears to be a tension in the neo-pluralistic ontology of much SEA research which neglects to acknowledge the power relations in society and consequently fails to challenge them. Although taking a rather different theoretical perspective, in some senses our work parallels that of Gallhofer and Haslam (2002) which believes that accounting should be evaluated in terms of its contribution to a notion of social well-being. Gallhofer and Haslam

<sup>1</sup> 1735 usable responses were analysed. These represented a response rate of 22.4% of the 7732 questionnaires originally distributed.

(2002) encourage those with a close interest in accounting to make the search for a more emancipatory and enabling accounting a core area of their interest.

The paper is structured as follows. The next section sets the scene by giving a very brief account of early Social Audits which were used in the Marxist sense of exposing some of the worse excesses of capitalism. Social and Environmental Accounts produced from the same tradition are also considered in this section. The following section briefly considers SEAs from a broader societal perspective. Because of the inter-connectedness of our social world, decisions made by individual companies have unregulated social effects that cannot be encompassed by an individual company SEAs. The idea of “inter-connectedness” is developed in the following section on dialectics and the Marxist Characterisation of Capitalism. This section sets out the Marxist dialectical position that society is shaped by contradictory material forces. Lastly we present our Social Account and the part it played in the debate surrounding higher education funding in Scotland. The conclusion considers some of the factors which may enable Social and Environmental Accounts to participate fully in social struggles.

## 1. Social Auditing and Social Accounting

Social Auditing has its more recent roots in the 1960s and 1970s when social audits of businesses were carried out by groups external to and without the co-operation of business.<sup>2</sup> They were produced by groups like Social Audit Ltd., Friends of the Earth and Counter Information Services and their analysis could be described as being incompatible with the interests of business (Medawar, 1978; Seyfang, 1997). One of the earliest published works in the UK to use the term Social Audit was the pamphlet “Upper Clyde Shipbuilders: The Social Audit” (Brown, 1971, SETSAP website). Social Audits were intended to influence public opinion and thus had a public policy function. They were used for assessing, for example, the social effects of plant closure and ensuing unemployment or for assessing social needs (Haughton, 1987; Percy-Smith, 1992; Seyfang, 1997). Information provided by social audits was concerned with the wider effects of an organization’s activities and how they change over time, with the intention of constraining business practices “for the public interest” (Hopwood, 1978; Seyfang, 1997).

More recently Social Auditing has taken on a more pro-business approach that embraces the organization under consideration alongside various other “stakeholder” groups (see also, Dawson, 1998). Arguably, most contemporary work in the social audit arena could be said to be broadly based on the “New Economics philosophy of attempting to reform the market economy by reintroducing ethical and redistributive principles into company accounting and business decision making, and internalising social and environmental costs” (Seyfang, 1997, p. 2). The needs of business are kept at the forefront.

Social Auditing is a way of making business responsible to people in practical ways that do not compromise financial viability and performance. (SETSAP website)<sup>3</sup>

<sup>2</sup> The earliest recorded use of the term Social Auditing was by Kreps in the 1940s in the US and Goyder in the UK in the 1960s. These both looked at the issues of ethics, social responsibility and organizational development (Social Economy Transitional Social Auditing Programme Website).

<sup>3</sup> <http://www.setsap.fsnet.co.uk/>.

Early Social Audits recognized that, at the very least, business needed to be regulated and that if left unfettered, would abuse its powers. The more recent underpinnings of Social Auditing appear to reflect the view that the needs of business are totally coherent with the needs of society overall, or, in other words, what is good for business is good for “society”.

The production of alternative accounts like social audits have been given various names, for example, corporate social accounts and corporate social reports. A popular term for these in contemporary academia is Social and Environmental Accounts. Academic work on Social and Environmental Accounting has also walked the tightrope between incommensurable points of view with respect to business. The theoretical approaches to Social Accounting have always been multiple,<sup>4</sup> some more accepting of the status quo than others. The methods used in Social and Environmental Accounting research have frequently mirrored the dominant methods used in other contemporaneous accounting research. Indeed, it will be argued later, that Social Accounting still carries the vestiges of the ontology of “Positive Accounting” prevalent in accounting research and society generally.

It could be argued that many of the proponents of Social Accounting are generally more enlightened and desiring of social change than for example, market-based accounting researchers. Some academics make specific claims regarding their desire for social change (Gray et al., 1988, 1995, 1997). Bebbington (1997) suggests that one of the concerns at the core of Social and Environmental Accounting research activity has been the exploration and development, “of new forms of accounting which are more socially and environmentally benign and which *have the potential to create a fairer more just society*” (p. 365, *emphasis added*). In some senses this worthy desire begs the question of how we achieve a fairer and more just society. Is it by enabling the capital accumulation process or restraining it? To some extent research in Social and Environmental Accounting manages to elide the issue by taking a neo-pluralist view of society and setting the debate in terms of “the public interest”. For example, Bebbington et al. (1999) while arguing (correctly) that the purpose of research is not to describe the world but to change it, also state that it seems impossible to imagine any justification at all for SEA if the *public interest* is not at the heart of the subject (e.g. Lehman, 1995, 1996; Lewis and Unerman, 1999; Zadek, 1998). In a capitalist system, the immediate problem with any statement about *the public interest* is that it is very hard to think of many instances where the central interests of *different classes* are not in conflict. For example, it may seem as if the immanent destruction of the planet is a “public interest” issue. However, under the present system the outcome increased environmental destruction could well be that the rich carry on enjoying an opulent wasteful lifestyle while the poor live impoverished lives pulling rickshaws and scraping a horrid living off (recycling) the rubbish dumps of the 20th century. The critical concern with neo-pluralist work, which does not recognize the power relations in society and set out to challenge them, is not a new one (Puxty, 1986, 1991). Tony Puxty discussing the Social Accounting research programme of the late 1980s (1991, p. 37), wrote that Social Accounting is in itself no challenge to the powerful

since it leaves the basic structures in place, and can even lead to their legitimization since the powerful can point to their existence as evidence of their openness in listening to criticism, it paves the way for precisely the extension of power.

<sup>4</sup> See Mathews (1997) for a broad ranging account of the Social Accounting literature.

<sup>5</sup> The amount of state involvement with decision making with respect to public transport, education and so on, clearly varies across time and countries (see [Catchpole et al., forthcoming](#)).

pertain to capital by virtue of its property rights, however much the welfare of the majority will be affected by them. The anarchic nature of the system and its relentless drive to profits means that we cannot be provided with information by the market or by individual company accounts with which to make socially effective and efficient decisions. Analysis of public effects of economic action requires information that individual companies cannot and do not provide. Because they produce unregulated and unplanned social effects, capitalist markets create enormous social inefficiencies. Hahnel and Albert (1990) put it this way

markets bias and obstruct the flow of essential information, promote antisocial incentives over equally powerful motivations that need not be socially destructive, and generate increasingly inefficient allocations of resources. In sum . . . markets promote snowballing individualism that is demonstrably non-optimal regardless whether they are combined with private or public enterprise.

In short, the contention here is that neither market information- or company-specific information is capable of providing rational criteria for investment from a broadly social viewpoint. Neither markets nor accounting by individual companies can provide rational criteria which could guide the building of roads, sewers, steel mills, communication networks, schools, parks, clothing factories, childcare centres, hospitals, bakeries or hydroelectric stations (McNally, 1993).<sup>6</sup>

Calls for the provision of information by individual companies, even aligned to calls for them to look outside of their domain into “social” impacts will result in very poor “information” from a total societal perspective. These calls could be described as being reflective of enlightenment based thinking which developed into (among other theoretical approaches) variants of positivism, empiricism and formal logic.<sup>7</sup> Positivism would see the parts of the system (individual companies) taken in isolation as being more important than the connections between them.<sup>8</sup> Rees (1998, p. 4) describes the positivist approach as follows:

These approaches stress that the facts of a situation are pretty much as they appear when we first observe them; that the compartments in which we find such facts are the inevitable and unalterable properties of the things themselves, not the products of historical developments imposed on the world by our way of understanding it; that connections between these facts are less important than each fact taken in isolation; and that this complex of facts is more or less stable, or, if it develops, it does so in an orderly manner entirely explicable in straightforward cause and effect terms.

<sup>6</sup> Baumol (1965, pp. 131–132) wrote that.

no individual entrepreneur can estimate on the basis of market data alone, the productivity of investment until the investment plans of other entrepreneurs are determined. How can they say what the productivity of investment in a particular town will be until one knows whether or not that new railway line is going to be laid down? We have here something analogous to external effects in production.

<sup>7</sup> Enlightenment philosophers such as Galileo and Newton reflect the limitations of much enlightenment based thinking which could (for example) develop concepts to explain the law of inertia or the motion of bodies but *could not* explain society of why or how historical change was taking place Callinicos and Harman (1987).

<sup>8</sup> Thus the Thatcherite motto “there is no such thing as society”.

The way in which this plays out in the accounting arena is that the “facts” be they traditional accounting or Social/Environmental Accounting “facts” are taken in isolation from the social whole. The totalities of social interconnections are somehow negated. The next section pursues the theoretical basis for our critique of positivist methodologies insisting that we need to take a more holistic and specifically *dialectical* approach to understanding society.

### 3. On dialectics and a Marxist characterisation of capitalism

The dialectical critique of positivism (or enlightenment rationality) involves three principles: *totality*, *change* and *contradiction*. Each of these on its own would not constitute a dialectical approach; they become dialectical when they are taken together. Totality simply means that all of the elements in our world are related to one and other. Accounting practice, regulation, information and so on cannot be understood on its own but only as part of a totality. This is why individual company Social and Environmental Accounts that do not make connections with the rest of the social totality will be flawed in terms of their usefulness in making socially effective and efficient decisions. Moreover, when we bring the parts into relation with each other their meaning is transformed. This is not the cause and effect transformation of positive theorising. The interaction of the parts can give rise to a qualitatively new situation. It is only when we grasp the relationship between the parts in the totality that we begin to understand them. For example, as we will demonstrate later in our Social Account of student hardship, one would fail to grasp the full picture if one accepted the argument that with the mass expansion in higher education, we simply cannot afford to give decent student grants. In a dialectical system, the entire nature of the part is determined by its relationships with other parts and so with the whole. Keeping hold of the dialectic will enable a serious critique of the neo-positivist drift of some Social and Environmental Accounting.

The importance of a Marxist material analysis from a holistic perspective is in its insistence on the importance of the forces and relations of production. It is one of the central propositions of Marx’s sense of history, that there are deep contradictions (and conflicts) in the relationships of production, and accordingly in the consequent social relationships (contradiction is the third principle of the dialectic). There is a clear contradiction in the relationship between workers and business. Workers on the whole have to sell their labour in order to survive, and capitalists have to try maximise their profits in order to survive. The drive here is for workers to struggle to maximise wages and capitalists to minimise wages. It is such contradictions which generate change (the second principle of the dialectic).

It is worth looking at the specifics of *change* and *contradiction* a little more closely. Change does not refer to the cause and effect of much positive theorising. First year accounting students may well be taught that if interest rates fall the price of bonds will rise or how better information from firms make them more accountable. This is mere description, not explanation; the what but not the how or the why. The defect of such an approach is that it leaves the ultimate cause of events outside of the events described. *A dialectical approach seeks to find the cause of change within the system*. Since change is internally generated, it must be the result of contradiction, of instability and development as inherent



properties of the system itself. As [Rees \(1998\)](#) points out, contradiction is only the *form* of the explanation of social change. This is because the explanation itself will depend upon the concrete, empirical conditions that obtain in each society ([Williams, 1980](#)). Thus it is not possible for a true dialectician to simply sit back on her laurels in the belief that she has a theoretical grasp on the way in which the world changes. She must continually analyse our concrete material conditions. We cannot make this point strongly enough. It is certainly possible to critique some of the theories that underpin (for example) Social Accounting research. A dialectical approach however, requires that we too should study the world. This is why we later present our own Social Account.

Marx and Engels's elaboration of a materialistic dialectic led them to conclude that, because society was shaped by contradictory material forces, a revolution in philosophical consciousness would not be enough to change it. To make sense of the human capacity to change the world, we have to understand the constraints under which human beings exercise this capacity. These are both material and ideological. The "contradictory material forces" alluded to earlier concern the antagonisms between social classes in the commodity production process. In fact, large-scale commodity production requires that labour itself becomes a commodity.<sup>9</sup> Just as proletarianization (the commodification of labour) is the key to a fully capitalist market, so that market, once created, will continually reproduce proletarianization—and on a growing scale (Braverman, 1974). *Market competition in such a context means constant pressures to raise levels of labour exploitation as a condition for the survival of the capitalist enterprise.* Proletarianization and intensified exploitation are thus inherent in all market processes where labour-power exists as a commodity on a significant scale.

In the early stages of the development of capitalism, alongside the proletarianization of labour the ideology of the market was unleashed. One function of early market ideology was to naturalise the position of commodified labour (Eagleton, 1994, 1997). The practical side of this was to create and maintain the market in human labour power. So, for example, Malthus insisted that the individual has no claim of *right* on society for the smallest portion of food, beyond that which his labour could purchase. To that end all “fettters” on the market—from common land, to anything which would enable individuals to be more self-sufficient, to the old poor law—were defined as violations of economic liberty which would have to be destroyed. Of course they mostly and very ruthlessly were.

For the emergent capitalists, their workforce supply would remain a problem while labour had any significant means of production of its own; while this remained the case there could be no truly “free” labour market. The early market ideologists understood this very well insisting that the poor would “not seek for labour (i.e. wage labour) until they are compelled to do it”. So labourers were rendered increasingly dependent on the market for their economic survival. Released from the restraints of pre capitalist communal rights, a market system was made to appear as the Natural Order of Things. The propertylessness of the poor, their dependence on the market for their survival were both made to appear as natural and transhistorical. The legacy of early capitalist ideologues is that even today the “laws of the market” are seen as natural as the “laws of nature”.

<sup>9</sup> Commodity production, one of the basic elements of capitalism, is possible only if labour power exists as a commodity on a large scale.



As well as making capitalism seem eternal, the workings of the market also tend to obliterate a sense of class distinctions.

A worker who buys a loaf of bread and a millionaire who does the same appear in this act only as simple buyers, just as, in respect of them, the grocer appears only as a seller. All other aspects here are distinguished. The *content* of these purchases, like their *extent*, here appears irrelevant compared with the formal aspect.

(Marx, 1973, p. 251)

The workings of the market make capitalism appear as free, fair and just-as well as inevitable and free of class distinctions.

Once workers are separated from the means of production, a market-regulated economy will begin to self-perpetuate. The surplus value which labour produces is used to sustain and augment capital and so reproduces the monopoly on the means of production. Once the system is set up, the coercion necessary in the early days of capitalism, can to some extent be withdrawn. This serves to further the idea that the system is natural and inevitable as well as effective and efficient. Capitalist laws appear as eternal laws which must always govern society. Marx's dialectical approach to his critique of political economy "was to show the inseparability of production for the market, money, wage-labour, competitive accumulation and exploitation" (McNally, 1993, p. 221).

In this section we have set out the contradictory material forces under which we operate. Only when we know the ideological, economic, social, and political conditions under which human beings find themselves will we be able to estimate what change is possible and by what means it can be effected. The recognition of the holistic nature of our social world, our material conditions and ideological barriers is certainly useful in research which sees itself as progressive as in Social and Environmental Accounting.

It has been argued that it is easier to criticize Social Accounting than come up with alternatives<sup>10</sup> (Mathews, 1997). With the benefit of the theoretical perspective set out earlier we set about developing our own Social Account. Our Social Account could be seen as an example of "another way to proceed" in line with Gray's (1998) imaginings of new accounting. It could also be seen as an extension of Lehman (1999) which critiques the focus of Social and Environmental Accounting on the organization. The next section contains some of the contents of our Social Account with a brief contextualizing introduction.

#### 4. Social Account of the hardship debt and stress of some Glasgow students

In the late 20th century young people were entering higher education in unprecedented numbers. Yet at the same time, for some students, the *quality* of the learning experience within higher education has diminished. In the UK students have suffered from a phasing out of student maintenance grants culminating with the introduction of tuition fees (in England, Wales and Scotland). Although as will be seen later, a central feature of the paper is that

<sup>10</sup> Mathews (1997, p. 18 out of 44) states that the problem with the critical contribution to the debate is that these contributions do not offer alternative ways forward. "In the evolution versus revolution debate, revolution does not suggest how we might proceed" (Mathews, 1997).

tuition fees were quickly abolished in Scotland. This has meant that the poorest students leave university with huge loans *and* have to work in low paid jobs. As academics working in such an environment we had become increasingly aware of the impact of society on our students. At the same time as we were<sup>11</sup> trying to introduce more quality measures, student personal development plans, student centred learning and so on, we were faced with some tired, and on too many occasions, depressed and stressed students. We had whole classes who groaned at the idea of group work, not because they could not see the point of it but because they knew that trying to find a time when all the members of a group could meet would be virtually impossible given the pressure of their extremely tight schedules forced upon them by part-time working. We were faced with appeals committees that could go on for days; students coming to our classes after the Asda night shift and even students whose employers would not allow them a few hours off to sit an examination. We were aware that some academic departments had conducted small surveys to assess the extent and impact of student working.<sup>12</sup> Yet it was impossible to know the exact extent of students working and its impact upon their studies. Thus in order to produce a full Social Account of the financial experience of students, the impact of financial constraints and part-time working on their quality of education we conducted a theoretically informed questionnaire.

The theory which informed our questionnaire suggests that the world is a totality and that change comes from within that totality; that our labour has been commodified; that market competition means constant pressures to raise levels of labour exploitation as a condition for the survival of the capitalist enterprise; that class distinctions are hidden by the workings of the market; that ideology naturalises the position of commodified labour; and that market ideology insists that citizens have no rights to claim even the smallest portion of food from society. This theory is applied to a setting in which there is a mass expansion of, but a lack of funding in, higher education during a period when many organizations have consistently set about replacing their full-time (fixed cost) staff with part-time (variable cost) staff. We expected that we would find mostly un-unionised student workers, desperate for money, “willing” to work unsociable hours, and by definition academically able and well motivated and as such, a target workforce for employers driven by the requirements of capital accumulation. Our questionnaire was thus designed around these theoretical and empirical assumptions.

#### 4.1. *Method*

In order to produce a Social Account we sent questionnaires to all full-time students at the three Glasgow universities; Glasgow Caledonian University (GCU), Strathclyde University (SU) and the University of Glasgow (GU). The purpose of the questionnaire was to discover base line information about the financial state of students and the impact of financial imperatives upon their studies.<sup>13</sup> The questionnaires were circulated in February/March 1997 at

<sup>11</sup> And still ARE.

<sup>12</sup> For earlier research see Payne and Callender (1997).

<sup>13</sup> One reviewer of this paper has suggested that our Social Account simply reflected the fact that we “have done a questionnaire”. We believed that we needed to use a questionnaire as a tool for reaching the highest number of students possible.

Glasgow Caledonian University, during May 1998 at University of Glasgow and October 1998 at Strathclyde University. Thus our questionnaires were sent to students *before* the actual introduction of tuition fees in the UK (although while tuition fees were immanent) and while a few meagre maintenance grants were still awarded. The respondents to our surveys were actually better off than contemporary students.

Following a pilot study at GCU, refinements were made to question formulation and survey design. At the three institutions, questionnaires were posted to the term-time addresses of all third-year students; 2606 at GCU, 3326 at GU and 1800 at SU, with returns of 628 (GCU), 741 (GU) and 366 (SU) representing response rates of 24, 22 and 20.3%, respectively. Third-year students were targeted, mainly because the experiences of student employment in the year of the survey and the previous two academic years permitted longitudinal analysis across a three-year period.

Our Social Account suffered from several limitations. Firstly we cannot extrapolate the information obtained from the respondents to all students at the three universities. So while we know that 79% of GCU, 76% of SU and 52% of GU respondents had part-time employment while at university, we do not know the *exact* percentage of student workers. We also could not claim that our Social Account reflects the experience of all UK students. However we do feel that it is highly likely to resonate with the majority student experience. Perhaps the most important flaw in our Account is that since it only considered 3rd year students it only captured the experiences of the “survivors”. It also fails to include those who were put off of entering higher education in the first place by the fear of potential debt and hardship. With hindsight we would also have considered the needs of disabled students more carefully.

The quantitative data is complemented by rich qualitative information, primarily in the form of written comments. Lest it be thought that this source might yield only limited data; we received insightful comments from a majority of respondents. No fewer than 61% of respondents at GU, 63% at GCU and 67% at SU, made invaluable and, for the most part, lengthy submissions, which were collated for use as source data. At GCU focus groups of students working in particular industries were organized in order to provide additional insight. The data sets combine to provide a unique Social Account of Glaswegian student experience.

As we were producing our social account, a survey by Natwest bank calculated that the weekly cost of studying in Scotland for students, not resident at their parental home, was £133.73 (*Herald*, 22/9/98). If fees were added to this then “the average” student would have needed an income of about £7000 pa. Thus, even if a student took the maximum loan available of £3635 they would still have had a huge £4000+ income gap. *This could only be met by parental support or part-time working*. There were no other possibilities of obtaining unemployment or housing benefit or any of the other dwindling and meagre social benefits available in the UK. Given the very low minimum wage levels especially for under 21s this meant that many students were forced into working extremely long hours. These facts undermine arguments that “it is fun for students to work”<sup>14</sup> or that they work to socialise (Lucas, 1997). The first question we asked related to the reasons why students work.

<sup>14</sup> Bill Rammell, the Labour MP for Harlow asserted that ‘working while you study can actually be good fun’ (*Guardian* 2/6/98).

#### 4.2. The student income gap

It is almost impossible to juggle classes, lectures and studying and work together with all the things that keep you sane—boyfriends, friends. Working 20 hours a week does not, for me, mean more money for lipstick and lager, but is essential for paying rent bills etc. I'll still leave University £6,500 in debt. This hectic timetable is draining on time and on physical and emotional energy and leaves you with no leeway and no time to cope with personal problems . . . my university work is suffering severely.

(21 year old female, Glasgow Caledonian University, social science student, sales assistant £3.75 an hour)

Working has affected my studying. I am positive I would have a better degree if I didn't work. I am at a disadvantage compared to other students. Tonight—as I fill this—I had classes at 9am, I have flu but I have to go into work to do a nightshift until 6am, 21 hours non-stop. If I don't go, I can't pay my rent. The government should monitor who actually gets parental contribution. Mine was £700 this year. Where are my parents supposed to find £700, so like every year it gets cut I have to do more nightshifts to keep it up?

(Female student—Strathclyde University, psychology and HRM, supermarket sales assistant £4.10 an hour)

Students were asked to assess the list of possible reasons for working in Table 1 on a scale of 5 (very important) to 1 (very unimportant). Unsurprisingly, students report 'financial/necessity hardship' as the most important reason for working. The comment below is typical and could be multiplied many times over,

Part-time employment has allowed me to earn so that I can pay the rent etc. Without part-time work I could not live without getting in debt . . .

(20 year old female, GU pathology student, sales assistant in newsagent, £3.20 an hour, 18 hours a week)

Table 1  
Reasons for seeking or obtaining part-time employment (max = 5)

Reason	GCU score	GU score	SU score
Financial necessity/hardship ( $n = 500$ , GCU; $n = 435$ , GU; $n = 281$ , SU)	4.54	4.55	4.53
Extra cash for fun, clothes, going out ( $n = 499$ , GCU; $n = 425$ , GU; $n = 279$ , SU)	3.57	3.90	4.09
Experience of working ( $n = 496$ , GCU; $n = 418$ , GU; $n = 279$ , SU)	2.83	3.33	3.69
Good for putting on CV ( $n = 498$ , GCU; $n = 421$ , GU; $n = 279$ , SU)	2.83	3.30	3.68
Obtain transferable skills ( $n = 420$ , GU; $n = 279$ , SU)	— <sup>a</sup>	3.16	3.42
Meet people/social life through work ( $n = 495$ , GCU; $n = 420$ , GU; $n = 279$ , SU)	2.41	3.00	3.16
The job is relevant to my future career ( $n = 418$ , GU; $n = 279$ , SU)	— <sup>a</sup>	2.12	2.49

<sup>a</sup> Not included in GCU survey.

The bold fact is that many students were extremely poor. At the time of the Glasgow University survey (May 1998) the students surveyed were carrying average debts of £3378.18, while 19% had debts of £6000 or more. These third year students anticipated, on average, debts of £5292 on leaving university in June 1999, while 39% anticipated debts of £6000 or above. At Strathclyde, the average debt was £3217.76. Contemporary students can expect to graduate with on average £10,000 of debt.<sup>15</sup>

Without a doubt, students tried to make the most of their working experience. Table 1 shows, for example, that ‘experience of working’ and ‘good for putting on CV’ are cited as important by a significant number of students. Further, while it is true that student workers, like any other group of workers, do derive satisfaction from the social aspects of employment, it is important, to understand the scale of importance. Table 1 indicates that the two sets of financial reasons, particularly ‘financial necessity/hardship’, are clearly perceived to be most important by respondents at all three universities.

The “out of hours” aspects of being a student have always been an invaluable part of student life. Having discussions with fellow students from other disciplines, taking up sports, and participation in student life have always been extremely enjoyable and rewarding for students. So while it is not totally wrong to say that for some students ‘work is fun or work is a change of scene’ (Lucas, 1997, p. 61) it is important to maintain a sense of perspective. Many students in their qualitative comments were extremely stoical about the need to work putting the best possible face on it. Our evidence would indicate that social reasons are of secondary importance. If working were such fun and so good for your CV we would expect to find wealthy students struggling to find work at McDonalds.

#### 4.3. Hours, pay and sector

Nature of employment is degrading. Long hours without breaks and little pay—feel exploited and annoyed.

(20 year old female, GU medicine student, waitress, £2.80 an hour, 10 hours a week)

Our theoretical analysis led us to believe that student wages would be particularly low. This is indeed what we found.

The average hourly pay rates of student jobs in Table 2 conceal wide variations in pay. At Strathclyde for example some of the students were qualified nurses who earned higher than minimum wage working for agencies. Tables 3 and 4 displays the distribution of students’ hourly income by pay bands for all jobs. Self-evidently, most students earned, by any standard, extremely low levels of pay, with a staggering 71.5% at GCU, 60.4% at GU and 46.9% at SU earning less than £4 an hour.

Financial hardship and very low rates of pay have forced significant numbers of students into taking what amounts to more than half time and even full-time jobs. It is only by working such long hours that the relatively large sums that students require to bridge the ‘income

<sup>15</sup> NUS Priority Campaign 2002–2003: Funding the Future, October 2002 taken from Nat West Bank and Barclays Graduate Debt Surveys 2002.

Table 2  
Average hourly pay rates of student jobs

	Mean	Median
GCU (March 1997, $n = 552$ )	£3.71	£3.52
GU (May 1998, $n = 609$ )	£3.78	£3.70
SU (October 1998, $n = 384$ )	£4.05	£4.00

The sample size for GU, GCU and SU in the table (552, 609, 384) exceeds the total of 1148 students working students surveyed. This is because the table (and Table 3) is based on the number of student jobs. That is to say all the jobs taken since the start of the respective academic years are included in the calculations.

Table 3  
Distribution of hourly pay rates of student jobs

Hourly rate of pay	% of GCU students ( $n = 609$ )	% of GU students ( $n = 552$ )	% of SU students ( $n = 384$ )
Less than £3.00	6.4	5.1	1.8
Less than £3.50	40.2	33.0	21.9
Less than £4.00	71.5	60.5	46.9

gap' can be obtained. In 1997 the average weekly earnings of GCU student workers' was £54.69 while 36% were earning as much as £60 or more. No less than 15% were earning a minimum of £80 a week. The average GU student in 1998 was earning £50.47 a week with 32% earning £60 or more. The average weekly earnings for SU working students was £61.78, with almost 40% earning £60 or more a week. It is tempting to conclude from these figures that, for many students, the amounts earned from part-time jobs are the main single source of income.

The questions in this section of our questionnaire serve to highlight recent changes in the forces and relations of production. There were several sectors in which student employment was concentrated. In the GU survey the retail and hospitality sectors were the most prominent. Almost 4 in 10 student jobs (38%) were in retail, with supermarkets the single most important sub-sector with 13% of all jobs. Bar and pub work was also significant, accounting for 14% of all student jobs at GU. The distribution pattern was similar at the Caledonian, with 42% employed in the retail sector in 1996–1997, with supermarkets accounting for 12.4% of all jobs. Surprisingly, bar and pub work accounted for only 6.9% of all jobs at this city centre university. At Strathclyde an identical 42% of student jobs were in retail, with almost 1 in 10 students working in just two supermarket chains. So although a significant number of students in Glasgow do work in bars and pubs,

Table 4  
Weekly hours worked during term time

	% of GCU students ( $n = 609$ )	% of GU students ( $n = 552$ )	% of SU students ( $n = 384$ )
Average	15 h 23 min	13 h 14 min	14 h 30 min
Over 20 h	15%	25%	23%
Over 30 h	2%	5%	6%

Percentage of students missing lectures, etc. because of hours worked ( $n=486$ , GCU;  $n=433$ , GU;  $n=314$ )

	GCU (%)	GU (%)	SU (%)
Lectures	63	55	39
Classes/tutorials	56	33	24
Examinations	1	2	5
Supervisions	15	5	1
Labs	27	17	8
Presentations	11	9	6

#### 4.4. The educational impact of part-time employment

(22 year old female, GU history student, Burger King, £3.39 an hour, 16 hours a week)

(19 year old, female, GU psychology student, customer services assistant in cinema, £3.72 an hour, 14 hours a week)

(21 year old, female, GU anatomy student, bar person, £3.10 an hour, 16 hours a week)

Anyone involved in higher education would not be surprised by the adverse impact of part-time work upon academic study. Table 5 reveals that stark truth of part-time working. This table represents missed educational opportunities directly resulting from part-time work. The qualitative comments in this area make even more tragic reading with students expressing frustration, stress and guilt as they deal with mounting debt and financial hardship. There is a direct correlation between longer hours at work and absenteeism from university. At GCU the percentages of absenteeism rose dramatically for those working



Table 6

How has the experience of work affected academic performance?

	Agree strongly/ agree (%)	Neither (%)	Disagree strongly/ disagree (%)
Exam marks would have been better if I had not been working (GU, <i>n</i> = 423; SU, <i>n</i> = 300)	56 (GU); 57 (SU)	22 (GU); 25 (SU)	22 (GU); 18 (SU)
Because of the hours I work it's difficult to find time to study (GU, <i>n</i> = 427; SU, <i>n</i> = 301)	65 (GU); 61 (SU)	14 (GU); 16 (SU)	21 (GU); 23 (SU)
I do not think working will affect the class of degree I will get (GU, <i>n</i> = 421; SU, <i>n</i> = 297)	33 (GU); 33 (SU)	26 (GU); 26 (SU)	41 (GU); 41 (SU)
Working during term-time has enriched my educational experience (GU, <i>n</i> = 424; SU, <i>n</i> = 300)	21 (GU); 28 (SU)	26 (GU); 24 (SU)	53 (GU); 48 (SU)

20 h or more; 78% missed lectures, 69% classes, 3.3% examinations, 31% supervisions, 49% labs and 19% presentations.<sup>16</sup>

The educational experience of many students has been directly affected by part-time working. Sixty-eight percent of students at GU and 79% at GCU stated that working has affected their academic performance. Table 6 presents a more detailed breakdown of the effects of academic performance from questions asked in the GU and SU questionnaires. This table again paints the desolate reality of student working. More than 50% of students from both universities thought that their exam marks would have been better if they had not been working, while only a third thought that part-time working *would not* affect their class of degree.

Our theoretical position that employers are driven by the requirements of capital accumulation led us to consider the treatment of student workers by their employers.

#### 4.5. Employers' "sensitivity" to the needs of the student worker

Asda refused me study leave for my honours exams despite the company frequently stating they would help students . . .

(20 year old, female, GU history student, check-out operator, £4.11 an hour, 15 hours a week)

It interferes with study when you go out to work and no one understands the pressure you are under. It is tiring-since working and studying from 1996 I have been ill with IBS and shingles, both stress related and connected to fatigue. I never experienced these before starting university. You can't socialize at the weekends because you have to get up early therefore it isn't easy to really let off steam. Unfortunately work is a financial necessity.

(21 year old, female, GU management studies student, cashier in corner shop, £3.00 an hour, 21 hours a week)

<sup>16</sup> The percentages for some of these categories are clearly underestimates since, for example, labs or presentations will not be a course requirement for all students.

Table 7  
Allowances made by employers to students

	'Yes' number	'Yes' percentage	'No' number	'No' percentage
Time-off if you have to finish an assignment (GU, <i>n</i> = 412; SU, <i>n</i> = 281)	211 (GU); 130 (SU)	51.2 (GU); 46.3 (SU)	201 (GU); 151 (SU)	48.8 (GU); 53.7 (SU)
To swap shifts if you have to finish an assignment (GU, <i>n</i> = 413; SU, <i>n</i> = 276)	326 (GU); 204 (SU)	79.9 (GU); 73.9 (SU)	82 (GU); 72 (SU)	20.1 (GU); 26.1 (SU)
Time-off if you have an examination (GU, <i>n</i> = 413; SU, <i>n</i> = 277)	332 (GU); 216 (SU)	80.4 (GU); 78.0 (SU)	81 (GU); 61 (SU)	19.6 (GU); 22.0 (SU)
To swap shifts if you have an examination (GU, <i>n</i> = 407; SU, <i>n</i> = 269)	365 (GU); 239 (SU)	89.7 (GU); 88.8 (SU)	42 (GU); 30 (SU)	10.3 (GU); 11.2 (SU)

Table 8  
Employers' sensitivity/insensitivity to demands of being a student

	Very sensitive	Quite sensitive	Neither	Quite insensitive	Very insensitive
Percentage of students (GU, <i>n</i> = 422; SU, <i>n</i> = 285)	17.1 (GU); 9.8 (SU)	49.3 (GU); 43.2 (SU)	15.9 (GU); 20.7 (SU)	14.0 (GU); 21.4 (SU)	3.8 (GU); 4.9 (SU)

Tables 7–9 reflect contemporary employment practice changes and the introduction of flexible working. Flexible working in practice means that workers have to adjust their lives week-by-week to suit the needs of their employers. For students this means that they have to work the hours that they are told and their work patterns can vary from week to week depending on the needs of their employers. It also means that students have to take on the responsibility of trying to get someone to cover their shift to, for example, sit an examination.

While over 50% of students reported that their employers were either very sensitive or quite sensitive to the demands of being a student, it may be that the real picture is worse and that students are trying to put a brave face on things. Over 20% of students reported that employers would not give time off for examinations and more than 50% would not give time off to students who wished to finish an assignment. In many courses assignment

Table 9  
Experiences of tiredness, illness, stress and pressure

	Always (%)	Often (%)	Sometimes (%)	Never (%)
Tired at the end of a shift (GU, <i>n</i> = 426; SU, <i>n</i> = 285)	38.5 (GU); 33.0 (SU)	45.1 (GU); 44.2 (SU)	14.3 (GU); 22.5 (SU)	2.1 (GU); 0.3 (SU)
Too tired to concentrate on studies because of the hours of work (GU, <i>n</i> = 421; SU, <i>n</i> = 282)	11.4 (GU); 12.1 (SU)	32.8 (GU); 26.9 (SU)	45.3 (GU); 49.3 (SU)	10.5 (GU); 11.7 (SU)
Stressed because I have to balance working with studying (GU, <i>n</i> = 426; SU, <i>n</i> = 284)	20.4 (GU); 15.5 (SU)	31.5 (GU); 31.0 (SU)	34.3 (GU); 40.8 (SU)	13.8 (GU); 12.7 (SU)
More illness because of both working and studying (GU, <i>n</i> = 425; SU, <i>n</i> = 283)	5.9 (GU); 3.9 (SU)	13.6 (GU); 10.6 (SU)	32.2 (GU); 33.9 (SU)	48.2 (GU); 51.6 (SU)
Pressurised into coming into work when feeling unwell (GU, <i>n</i> = 420; SU, <i>n</i> = 283)	8.6 (GU); 10.3 (SU)	17.1 (GU); 18.7 (SU)	38.3 (GU); 30.4 (SU)	36.9 (GU); 40.6 (SU)

marks count towards final degree classifications making this a serious problem for working students.

Perhaps of all our tables, [Table 9](#) is the most disquieting. It shows that the impact of working on students makes them tired, stressed and unable to concentrate on their work. Nearly 100% of students said that they were tired at the end of their shifts. Almost 89% of students said that they were always, often or sometimes too tired to study because of their hours of work. The stresses caused by work and study were found by around 87% of students with almost 50% of students becoming ill because of the pressures.

This Social Account was certainly intended by the authors to have a social impact. At the very least we could give the world concrete evidence of the amount of part-time work being undertaken by students and how that work impacted upon their studies. We were aware of the importance of education in the political arena, especially since the New Labour government had introduced tuition fees. The actual impact of the Social Account turned out to be much more significant than we may have imagined in part due to the introduction of the New Scottish Parliament. The next section reports upon the political impact of our Social Account. It outlines the change in funding for students and sets it within the context of higher education in Scotland.

#### 4.6. *Higher education in Scotland*

Participation in higher education has increased throughout the whole United Kingdom. Scotland has taken participation further than the rest of Britain. In 2000, 47% of young people, and half of all young women went onto higher education ([MacLeod, 2000](#)). Scotland also has a rather different degree structure from the rest of the UK in the sense that the vast majority of universities in England and Wales have a basic three-year honours/ordinary degree whereas in Scotland an ordinary degree takes three years and an honours' degree takes four years. Many students who study for a degree in Scotland therefore spend four years at university.

All UK students have suffered from almost 20 years of reductions in state financial support. The last Conservative government began the complete phasing out of student maintenance grants. This step was completed by the New Labour government which only weeks after its massive election victory additionally introduced (means tested) tuition fees for students commencing their studies in the academic year 1998/1999. During the academic year that tuition fees were introduced 40% of Scotland's 140,000 full-time higher education students paid no fees at all. This means that 40% of students in higher education came from families whose joint income was £16,500 or less. A further 30% paid reduced fee. Thus, it could be argued that 70% of Scotland's students came from low-income families. Students were able to borrow £3635 per year from the Students Loan Company to cover fees and living costs. Clearly it is very difficult for low-income families to financially support their children through four years of university. The choice is stark for these students: sink into deep debt or attempt to alleviate the problem by working part-time. The prospects for these and other students from low-income families are particularly bleak in the coming years.

The dialectic is at work here. What is true for all UK students is that while there is a real and rhetorical expansion in higher education numbers, the current policy on higher education funding is inequitable in the sense that it produces a contradiction and serves

the interests of certain classes. It *claims* to widen access for working class students but these are the very students who are either no longer entering higher education because of financial constraints, or dropping out due to mounting debt or, at best, having the quality of their educational experience seriously eroded by having to work long hours to support themselves. Government figures<sup>17</sup> show that the number of applications from social groups IV and V as a proportion of the overall number of applications has declined—applications from social classes IV and V increased by only 3.8% (35,373–36,743), compared to an increase of 8.7% (364,885–399,645) overall (NUS, 2002). Applications from social groups IV and V for medicine has halved (782–398) (NUS, 2002). Moreover, the beneficiaries of graduate education, capitalist organizations, and state institutions are relieved of the burden of paying for it. Indeed in the very year tuition fees were introduced the Corporation Tax rate was cut.

With the entry of so many working class students into higher education it could be argued that Marxist theory of class location (and structure) required revision. There has been a gradual shift in the economic base as it were. To the highly limited extent that Marxist literature had considered students (Callinicos and Harman, 1987; Wright, 1978), they had been seen as transitional, their class location determined by their destiny. Thus crudely put, their position in relation to the means of production lay in the future. Therefore, there needed to be a redefinition as to their position as students, of their experience as workers (albeit part-time) brought into the labour market, where they sold their labour power. This is the dialectic at work in the sense that the idea of the working class as a class is constantly being made or re-made. Marx's theories can be used to understand the world but the world is continually changing (Marx, nd, 1976). It could furthermore be argued that implicit in our understanding of the class location of students was the notion of a "reserve army of labour" as students came to compose a larger section of the working class. The two separate realms of education and work have to be viewed as part of a *totality* if they are to be understood. In a dialectical system, the entire nature of the part is determined by its relationships with other parts and so with the whole. If we consider the academic and part-time work environments of students to be separate pre-existing units or realms we will fail to completely understand them. The interaction of the two can give rise to a qualitatively new situation.

#### 4.7. The Cubie committee

While we were completing this Social Account there was first of all a referendum in Scotland regarding the introduction of a new Scottish parliament and whether that parliament should have tax raising powers. There was an overwhelming vote in favour of a devolved Scottish parliament and for it to have tax raising powers. But it was impossible at the time to know the exact effect this would have on the education debate. All political parties<sup>18</sup> except New Labour said that if elected they would abolish tuition fees. Particularly ardent opponents of tuition fees were the Scottish Liberal Democratic Party.

The result of the first election of Scottish Members of Parliament (MSP) was that no party had a large enough majority to take control. The two largest parties—New Labour and

<sup>17</sup> UCAS statistical enquiry service.

<sup>18</sup> Including the conservatives.

Scottish Liberal Democrats formed a coalition. This left the issue of tuition fees a key issue for the coalition. New Labour (the party which formed the overall UK government) was vehemently opposed to the abolition of the fees, which they had only recently introduced in the Westminster parliament. Whereas the Liberal Democrats had, for many years, promised to increase income tax by 1 p to fund increased expenditure on education and would not willingly give up this stance. The political compromise was that a commission of enquiry would be set up to investigate student financing. The committee, the “Cubie” committee, was charged with the task of reporting back to the new parliament by the end of 1999.

Many individuals and groups made submissions to the Cubie enquiry. Our Social Account was one of the first submissions. Findings from the Social Account were quoted in the final Cubie Report. It was also sent to the Scottish National Union of Students and the Association of University Teachers to put a powerful case to the committee that not only should tuition fees be abolished but that the maintenance grant should be reintroduced. The authors of the account also attended public meetings and spoke to the media about our Social Account.

Several newspapers used the account almost verbatim. The Herald’s “Opinion” page (26/8/99, p. 20) applauded the setting up of the Cubie Committee because it felt that there are so many flaws in the current student finance system, “more of which have been highlighted by the important, comprehensive research undertaken at and for Glasgow, Strathclyde and Glasgow Caledonian Universities, three of the four biggest in the country. The academics who conducted it have exploded the myth of term-time work for reasons other than pecuniary compulsion.”

The main message put across to Andrew Cubie at the public meetings and in the written evidence was that fees were extremely unpopular in Scotland and should be abolished and that a decent maintenance grant should be restored. The Cubie Committee of Enquiry under public pressure then broadened the debate to bring the issue of the restoration of the maintenance grant to the fore (alongside the abolition of tuition fees). This was very important since unless the maintenance grant is restored, the reality is that student working will remain neither marginal nor transitory.

In December 1999, the Cubie Committee published its report. The Cubie report strongly criticized David Blunkett’s (New Labour’s then Education Minister) system of student financing as “ineffective, insufficient and indecipherable”. The report had 52 recommendations in all. Some of the key recommendations were as follows:

- Abolish tuition fees for Scottish domiciled students;
- Students entering university on and after October 2001 will sign a contract to pay £3075 into Scottish Graduate Endowment once their salary tops £25,000 (this is in effect a delayed payment system for fees);
- Students genuinely unable to work during the summer vacation should have access to state benefits;
- Maintenance grants to be restored to low income families; and
- *Students should be limited to a maximum of 10 h a week paid work during term time.*

There is little doubt that The Cubie Report took public opinion very seriously. It also took on board the issue of part-time working raised by our Social Account. Throughout the Cubie document there are not only repeated references to the impact of part-time working but also specific and general recommendations that address key problems and concerns we

have raised in our work. For example,

Research has shown that many more students are working long hours in part time jobs during term time. This has a knock on effect on the quality of their studies and indeed the grade of degrees ultimately awarded. The lack of maintenance funding is, therefore, a significant problem for some students and although hardship loans and access funds are available for a limited number, the financial pressures remain for too many. (37)

Full-time study may be compatible with some part-time work but this should not be to the extent, or at the times, that is detrimental to studies. We heard evidence of damaging consequences of excessive hours of work on the learning environment and studies and of a more general decline in aspects of “student life”—such as involvement in clubs and societies—where leisure was minimal. (59)

While Cubie certainly did not endorse the principal of free education, student union leaders welcomed his report north and south of the border. In our opinion Cubie fell well short of what would seriously be required for a genuinely inclusive higher education system but his recommendations, if implemented in full, would have been a significant improvement on the current system.

After the publication of the Cubie report in December 1999, New Labour and Liberal Democrat leaders in Scotland debated behind closed doors how to deal with the report and maintain their coalition without losing face. Their proposals were published in February 1999. The details of the proposals were bitterly disappointing. There was a “transitional” year in 2000/2001 with major changes being implemented in 2001/2002. The main proposals were as follows:

- Tuition fees will be abolished.
- Access Bursaries will be introduced for students from extremely poor families.
- If residual parent income is less than £10,000 pa, the student will receive the full Access Bursary of £2000 plus they will be entitled to the maximum student loan less the value of the bursary.
- As joint parental income rises from £10,000 to £23,000, the value of the bursary will fall and the loan entitlement will rise, such that an income of £23,000 will mean no bursary, but entitlement to full loan.
- For students whose parents’ income is above £23,000, their loan entitlements will fall as their parents income rises until at dual parental income over £45,000, the students maximum loan will be £500 for student living at home and £750 for students living away from home.
- Upon graduation students will have to start repaying their loans once their income reaches £10,000 pa.

In short, the student income gap and their need to work part-time or almost full-time has remained as bad or for many, even worse than before. For many students the “abolition” of the tuition fee exactly offsets their student loan entitlement. Students from “higher income families” will either be faced with the prospect of having to ask their parents for money for years on end or being totally impoverished. Moreover, despite Cubie’s more reasonable

recommendation that loans should be repaid once a graduate is earning more than £25,000 per year; the actual proposal is that loans are repaid once a student is earning more than £10,000 pa.

On a more positive note, while the outcome of the struggles over student finance in Scotland were not all that were hoped for, there have been some positive outcomes. A National Union of Student report into student funding (NUS, 2002, p. 3) stated that

The devolved nations have changed their student funding for the better and have seen applications rise massively as a result. Scotland is already well over a 50% participation rate.

What we could not have easily foreseen when producing the Social Account was that in 2002 New Labour would raise the possibility of charging differential fees depending on which university you attend (top-up fees). Increasing tuition fees would, in our view, put further financial pressure on students. Rather surprisingly the Scottish funding system was put forward as an exemplar of the way forward in terms of university funding (i.e. no tuition fees) by some within the National Union of Students. So while it was certainly a disappointment that the Cubie proposals were never implemented, it could be argued that relatively Scottish students benefited from the Social movement in Scotland against tuition fees.

#### 4.8. Conclusion

In this paper we have set out a case for understanding society as a totality that is animated by capitalism. But the understanding that society is a totality and that it is animated by a central contradiction is not enough to *present an adequate account of capitalism*. We are dealing with real social processes and so the dialectic has to be able to show how the central contradictions of capitalist society are expressed, often in very different forms, in all the economic, cultural, political, ideological, environmental and legal aspects of society (Rees, 1998). In our social account, the form of the contradiction was expressed through education. For example, it could be argued that education has always been seen as a means of promoting social equality. For many working class children education has been undertaken as a means of social advancement. It is certainly the case that on average degree holders earn more than those without a degree. Thus unsurprisingly many children of all classes wish to enter into higher education. Marx's theory can add important insights here. It reminds us that under capitalism we are all "free workers" whose means of support will be the sale of our Labour; hence the desire to try to get the best "price" possible by going to university. For individual capitalist organizations market competition means constant pressures to raise levels of labour exploitation as a condition for the survival of the capitalist enterprise. Recently this has taken the form of employers taking on low cost flexible labour. Many students were in practice faced with an income gap since (even if they wanted to) they could not borrow enough money to live on. This made students easy targets for exploitation. With the dominant market ideology so firmly in place it is difficult to question this. Market ideology tells us that the inevitable outcome of nature's laws is that we have to work; the corollary to this is that state benefits are unnatural and against the best interests of society. But the effect of all this is that young people who are ostensibly "doing the right thing" are being left



open to pretty ruthless exploitation. The dialectic here is that capitalism needs well-trained workers. Dialectical materialism informs us that it is impossible to predict the outcome of any situation since it will be determined as much by political responses as economic dynamics. In the case of higher education in Britain, this is undoubtedly the case.

What lessons have we learned from our experience of producing a Social Account? What is the political potential of Social Accounting? Clearly this depends upon the actual Social Account. In general, however, we would argue that even the most carefully researched social account would have little impact unless it were

- 1 produced outside of the mechanisms of the market
- 2 theoretically informed
- 3 linked to contemporary social struggles and groups

As academics we have the research and communication skills to produce rich Social Accounts. Their emancipatory potential will depend upon the social alliances which they can engage with and their understanding of the social world. We hope that this paper encourages academic debate in this important arena and a new form of thinking about Social Accounts.

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