The author reviews the structure and role of the German Studentenwerke and their services and programs for students in German universities. The effect of German unification on student services is also examined to illustrate current problems and issues.

The Place of Student Services in German Universities

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German unification on October 3, 1990 was the utterly unexpected, but far-reaching, turning point in German postwar history. It unified two German states that had been developing in opposite directions since the end of the Second World War. On one side was the Federal Republic of Germany, a democratic, federal state with a market economy oriented toward the West; on the other side, the German Democratic Republic, a socialistic, centralized state with a planned economy oriented toward the East. The diametrically opposite ideologies were also reflected in the different development of the higher education system.

East Germany developed a strictly centralized higher education system in response to the economy's need for labor and subordinated to the Communist Party's plans of building a socialistic society. It had had a stable, prescribed number of students (130,000) since the 1960s. West Germany, on the other hand, had a strictly federal, decentralized higher education system. Its higher education system has experienced an unusual expansion since 1970 based on the growing importance of education, science, and technology in modern society. The magnitude of this development is reflected in the more than tenfold increase in the number of students, which topped in 1989 with more than 1,600,000 students matriculated in West Germany's higher education institutions.

The different priorities and ideologies were also reflected in the different ways that student services developed in the two German countries after the Second World War. In East Germany, student services were incorporated into the centrally run university system. In West Germany, student services were reestablished in the form of the Studentenwerke, local student service associations. The
first local associations were founded as early as 1919 in an attempt to overcome the lack of food, housing, and clothing immediately after the First World War. They were student self-help associations founded by students in collaboration with professors, business, and industry.

Legally independent before 1933, the Studentenwerke were transformed and became part of the National Socialist System after 1933. They were dissolved with the closing of the universities and colleges at the end of the war in spring 1945. With the reopening of the universities after the war, the local Studentenwerke were reestablished in West Germany, and with reunification, new Studentenwerke were also founded in East Germany.

Today there are sixty-three Studentenwerke in Germany. Most of them are public-law state institutions, and all of them are nonprofits and legally independent of the universities and colleges for which they provide service. They are responsible for over 1,700,000 students who attend over three hundred institutions of higher education in Germany. Thus, in general, most Studentenwerke are responsible for more than one university or college.

The competence for all cultural affairs in general, and with it the competence for providing student services in the area of higher education, lies with the federal states, the Länder. Therefore, the organizational structure of the Studentenwerke differ. In general, the Studentenwerke are governed by an executive director. The director’s work is overseen and controlled by one or two committees, such as an administrative council or a governing board. Executive authority lies with the director, who is elected by the Studentenwerke committees. The director is appointed after confirmation by the respective minister or head of the department of the state. The Studentenwerke committees are composed of representatives from the student body, representatives from the institutions of higher education, and representatives from public life. The work of the members of the committees is honorary.

Within the Studentenwerke, students themselves play a major role. In some states, students have around 50 percent of the seats in the major committees. In many Studentenwerke, any major measure such as a price increase is difficult to pass without the consent of the students. In general, it can be said that this strong student participation has served the Studentenwerke well: the students learn to assume responsibility, and the Studentenwerke learn to stay focused on the interests of the students they serve.

The Studentenwerke are funded from self-earned income, from subsidies allocated by the respective Länder authorities, and from direct contributions levied on all students. In 1996, the majority of the income of the Studentenwerke was funded through rent, catering revenue, and other self-generated income, amounting to roughly 60 percent of the total budget. The subsidies accounted for approximately 25 percent of the total budget. Student contributions amounted to about 50 Deutsche marks (DM) per student, or roughly 10 percent of the total budget of the Studentenwerke. Although the Studentenwerke do not make profits, their work is governed by economic principles, and they are organized and work according to guidelines for commercial businesses.
Mission of Student Services in Germany

The mission of student services in Germany is to provide services and support to all students. Special emphasis is put on assistance to all those who are needy, in the attempt to create equal opportunity in education. The aim is to ensure that students from disadvantaged groups receive the same start-up opportunities as students who are able to afford an education because of their parents’ financial situation. The work of the Studentenwerke builds on the recognition that equal opportunity, in the sense of equal starting conditions, cannot be achieved solely by granting direct financial support to needy students. Rather, the system of support must comprise a set of interlocking measures of direct and indirect support for students. These aims are supported by the fact that the social infrastructure contributes substantially to the efficiency of the institutions of higher education in general and to the performance of its educational tasks in particular. The performance of a higher education institution is not merely the net result of the number and quality of its lecture halls and laboratories, of its professors and academic staff, or of the teacher-student ratio. Rather, the quality of the social environment, the accommodation situation, possibilities for engaging in culture and sporting activities, and the presence of support services all exercise just as decisive an influence on student motivation and consequently on the performance of higher education institutions.

Furthermore, Studentenwerke are more efficient due to the economies of scale when providing service to several institutions, and they provide the opportunity to ensure similar services to both big and small institutions. At the same time, their size is restricted in order to be able to adapt to local circumstances.

In addition, the structure of the Studentenwerke brings together those who share responsibility for providing the social services infrastructure—the student body, the higher education institutions, the state, the university and college towns, and the local business community. Finally, nonprofit institutions independent of the universities and colleges they provide services to guarantee that all revenue created flows back to those who need it most—the students.

Major Student Services and Programs in Germany

In Germany, the Studentenwerke are responsible for providing social, economic, and cultural services and support to all students. Because responsibility for higher education lies with the Länder, the concrete scope of activities differs from state to state. In general, the three main tasks are providing students meals, providing students accommodation, and administering the Federal Law on the Promotion of Education and Training (Bundesausbildungsförderungsgesetz, or BaföG). Secondary areas of work provided in some but not all Studentenwerke are student counseling and advisory services, special services for students with disabilities, facilities for students with children, health services, insurance for students, and cultural and sporting activities for and by students.
Student meals are provided in dining halls that are operated by the local Studentenwerke. There are about 370 dining halls in Germany that offer roughly 140,000 places and sell about 1,400,000 meals per day, or more than 80,000,000 meals per year. The great majority of the Studentenwerke staff of more than sixteen thousand are employed in facilities. In most dining halls, students can choose between four to six meals.

Almost half of all midday meals eaten by students are provided by these dining halls. In view of the limited number of seating, this number is quite impressive: one hundred students “share” about eight places. The price varies from between 1.50 and 7.26 DM and is greatly subsidized by the respective Länder authorities. According to the Deutsches Studentenwerke’s (DSW) “Bochumer Mensaplan,” a meal plan for students that was developed in Bochum, a city in west Germany in 1962, the subsidy by the respective Länder authority ideally should cover staff and production costs; students should only pay for the food itself. This, however, is no longer achieved in any of the federal Länder. Apart from the dining halls, the Studentenwerke also have roughly sixty thousand places in refreshment rooms. In these, students must cover all costs, including production costs.

Student accommodation was distributed as follows in 1994: 21 percent of the university and college students were living in their own flats, 18 percent in shared apartments, 14 percent in student dormitories, 6 percent as subtenants, and 23 percent with parents and relatives. In East Germany, the number of students in dormitories was still higher at that time, but since then has been decreasing rapidly. Altogether there were more than 240,000 state-subsidized student dormitories all over Germany, roughly 180,000 of them in former West Germany. This means that only about 10 percent of the students in the western part of Germany have a chance to receive one of the reasonably priced student dormitory rooms. In these dormitories, students pay a rent that covers only the costs actually incurred. Dormitories refrain from making any profit. In addition, most of the student dormitories were built with public funds, so it is not necessary to refinance major capital investments. Depending on the standard of accommodation, students will pay a rent that varies between 51 and 542 DM. Generally, the duration of accommodation will be restricted to between four and six semesters, because the demand for such comparatively reasonable accommodations is high.

Student funding in Germany comes from three main sources—parental support, employment, and public funds. In former West Germany, parental financial support for students is most common (48 percent of the total student budget), followed by students’ personal earnings from employment during their studies (28 percent), and finally financial support from the state (13 percent). A quite different picture exists in former East Germany. Due to the still underdeveloped income situation there, more than 28 percent of student income consists of financial support from the state. Their personal income plays a substantially smaller role because of the serious problems faced by the employment market in former East Germany. Only 17 percent of the student budget is financed from their own employment, and only 46 percent of the budget consists of parental support.
The financial support for students provided by the states is administered by the local Studentenwerke, who execute BaföG. According to this law, every student has a legal right to state educational support for education and training that corresponds to his or her wishes, aptitude, and performance if the necessary means to cover the costs of living, education, and training are not available from other sources such as, in most cases, parental income. The law stipulates precisely when and to what degree parents have to contribute toward costs arising with respect to education and training and to what extent state educational support is paid. Fifty percent of the support is paid as a loan and 50 percent as a grant. A subsidized rate of interest must be paid on the amount of the loan. The loan must be repaid in monthly installments within a period of twenty years. BaföG is the most important state program that aids student funding. Additional programs are tax breaks for parents with children in colleges and direct financial support for all parents, the so-called “children’s money.”

Major Challenges for Student Services in the Future

The major challenges for student services are currently the tight public budgets in the time of a general economic recession and a general unemployment rate of approximately 13 percent. These developments have led to cuts in the subsidies that both students and Studentenwerke receive. In addition, the expected general increase in the number of incoming students in the coming years will further heighten the already existing overload of more than 1.8 million students in universities and colleges that were built to accommodate roughly 800,000 students. This situation makes it increasingly more difficult for the Studentenwerke to provide quality services to students and has led to two general challenges—a proposed reform of the student financial aid system and a general debate about the principles and the financing of the education system.

First, the tight budgets in the past years have led to a general decrease in the amount of subsidies disbursed by the state financial aid system. Whereas more than 45 percent of the students received some amount of financial aid when BaföG was first introduced, in 1996, just over 15 percent of the students still received some amount of BaföG aid. This has led to a discussion of how financial aid could be reformed. The DSW has proposed raising additional money by combining financial aid disbursed through BaföG with the aid disbursed through tax breaks and children’s money that the parents of students receive. This so-called “three-step model” would provide a general allowance of about 400 DM for all students, an additional allowance of up to 650 DM disbursed according to the parental income, and finally the possibility of obtaining a state-guaranteed loan of up to 200 DM to compensate for any shortages. However, due to opposing political majorities in the two chambers of the German parliament, it is not yet possible to determine if and when a reform will be possible.
Second, the tight budgets have led to a general discussion about the principles and the financing of the education system. Part of this discussion is the debate about whether or not tuition should be introduced. So far, the majority of the three hundred universities and colleges are state-funded public institutions that do not charge any tuition. There is no major private university or college in Germany. However, the tight financial situation has led to the proposal to introduce tuition.

At the same time, the tight public budgets pressure all institutions of higher education for more efficiency and have led to debate that also questions the principles that govern the work of the Studentenwerke. Thus, the Studentenwerke in many states of Germany are currently reforming their organization and discussing the role the Studentenwerke play in shaping the profile and enhancing the performance of the universities and colleges.

In general, however, it can be said that these discussions have proven to be advantageous for the Studentenwerke. Born as a model suited for coping with a time of great need as student self-help associations after the First World War, their organizational structure has proved exceptionally capable of adapting to tighter budgets. In general, the Studentenwerke have managed to use these discussions within the last ten years to obtain greater financial freedom, thus improving their efficiency, and have managed to provide equal or even more services to all students, despite declining subsidies, in the never-ending mission of promoting equal opportunity for all.

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