

Student Demands: True Facts of Higher Education

Far from being in crisis, the education system in Chile goes through its best historical moment. The access and quality levels are without precedents.

Although there are several factors which can be improved, the student's proposals are not necessarily pointing at the right direction. There are no good reasons to give preferential treatment to the universities belonging to the Council of Rectors of *Chilean Universities (CRUCH)* and the sovereign credit system has allowed massifying higher education.

For some time we have heard with increasing frequency that higher education in Chile is in crisis and that its situation will not stretch any further. However, facts show us quite the opposite. This is the best moment in the history of our country's higher education, with access and quality levels without precedents in Chile.

The access to higher education has massified in a few decades. Thirty years ago, only a small élite had access to higher education. Currently, over 40% of the population has access to higher education at the corresponding age. Among the factors explaining this enrollment progress, is the increasing offer from private universities, professional institutes, and technical education centers; additionally, the subsequent introduction of sovereign

credits, which enable the access to higher education regardless of the student's socioeconomic situation.

A higher education system aiming to cover a large part of the population must provide for institutions with very different targets and structures. Some of them focused on preparing the most talented students and other less selective ones. In any case, we can highlight the quality improvements shown by most higher education institutions, fostered by competition, together with the greater information and transparency introduced by the accreditation system.

Concerning universities, some of the private ones have shown amazing quality improvements, outshining most of the universities belonging to the Council of Rectors of Chilean Universities (CRUCH), appearing even in certain international rankings.

Evidently, there is still room for improving several factors in the current tertiary education system. Among them, we can highlight the arbitrary discrimination by the State between the universities belonging to the Council of Rectors and the rest of the higher education institutions, and certain limitations of the financing system.

Student Demands

Students of the CONFECH (Council of Student Federations of Chile) delivered a letter to the Ministry of Education with their reform proposals for the sector. Their demands include, among others, a greater discrimination by the State in favor of the CRUCH universities, particularly of the public ones, a change in the financing structure and the elimination of the sector's profits.

It is positive for students to express their opinions on different issues regarding the system, contributing with their point of view to public policy-making in higher education. Nevertheless, it would be desirable that these groups could balance their wish to state their demands with their studies, since society's greatest expectations is that students prepare themselves at this stage as best as possible to become competent professionals in the future. The same happens with their parents, who may see their expectations frustrated if other students, who do attend classes, in the end have better opportunities than their own children because they did not neglect their studies.

Many of the student's proposals point just in the opposite direction of the adjustments required by the system. They propose to increase the arbitrary differences among the institutions, favoring the universities that depend from the State directly. The State must ensure that the higher education system is accessible, efficient and of good quality. The existence of public universities is neither a goal in itself nor a guarantee of better education. They are one more instrument contributing to the system. In fact, today we have public universities which are a great contribution to higher education and others with important management and quality problems.

Behind this posture, there is the premise that CRUCH universities would be less expensive for society than private universities.

However, this is not so. Table 1 shows the incomes by student of the different types of universities during 2009.

Part of these differences can be explained by the different composition of the careers. For example, careers such as medicine are more expensive to provide than others. Nevertheless, Table 2 distinguishes between some private universities which also provide costly careers such as medicine and rely on similar resources and sometimes less than the CRUCH universities.

Table 1

AVAILABLE RESOURCES BY STUDENT	
Type of Institution	Income (CLP M\$) / Enrolment Nr
CRUCH*	3,571
Private Universities	2,503
Professional Institutes	1,901
Technical Education Centers	860

*CRUCH = Council of Student Federations of **Chile**

Source: Prepared by LyD with data from SIES, MINEDUC (Ministry of Education).

There is also the presumption that CRUCH universities are better quality ones. But this is not true. Table 2 shows that a group of private universities are better than most of the CRUCH universities, both considering the accreditation years and the student's preferences, measured as average PSU scores.

Table 2

UNIVERSITY RESOURCES AND RESULTS			
University	Income/Enrolment	Accreditation Years	PSU 2009
CRUCH*	3,571	4.56	582.60
PONTIFICIA UNIVERSIDAD CATOLICA DE CHILE (PUC) & UNIVERSIDAD DE CHILE	11,196	7	694
CRUCH without PUC & UNIVERSIDAD DE CHILE	2,908	4.35	572.91
UNIVERSIDAD ADOLFO IBAÑEZ	4,224	6	653
UNIVERSIDAD CENTRAL	2,303	4	542
UNIVERSIDAD DE LOS ANDES	4,114	5	660
UNIVERSIDAD DEL DESARROLLO	3,422	5	614
UNIVERSIDAD DIEGO PORTALES	3,139	5	609
UNIVERSIDAD FINIS TERRAE	3,740	5	592
UNIVERSIDAD NACIONAL ANDRES BELLO	2,992	5	559

Source: Prepared by LyD with data from SIES, MINEDUC (Ministry of Education).

It is also frequently assumed that the cost for the student is lower in the CRUCH universities compared with the private ones. However, this is not necessarily true. Table 3 shows that it is not always true that there are important benefits associated to studying in universities belonging to the CRUCH or in a public university, instead of a private institution.

Table 3

CARRERS' ANNUAL AVERAGE COST BY TYPE OF INSTITUTION

Type of Institution	Business Administration	Auditor Accountant
Professional Institute	--	1,134,333
Public University	2,438,493	1,745,521
Private University with State contribution	2,976,100	2,090,650
Private University	3,071,947	1,781.485

Source: Prepared by LyD with data from SIES, MINEDUC (Ministry of Education).

When considering similar costs for the student, better results regarding quality and not relying on direct contributions from the State, we see that several private universities are highly efficient in the use of their resources. Therefore, the posture against canalizing the State resources towards these institutions seems unjustified.

They also question the current financing scheme based on credits and which has allowed massifying the access to higher education. People who have finished higher education studies benefit from better wages, so it is reasonable that they are made responsible for most of the cost implied in getting educated, thus liberating public resources for other less benefited sectors.

There are certain issues which should be revised in the credit system, such as the arbitrary discrimination between students from CRUCH universities and private universities, often of better quality, and the existence of reference fees which do not reflect the real cost of the careers. As experience has largely shown, the State does not have the capacity to reasonably calculate the prices. The sector is very competitive, which guarantees that the prices reflect costs, not incomes.

Perhaps it is socially profitable to allocate more public resources to this sector; however, it does not seem appropriate to assign these resources exclusively to public institutions. A greater number of public universities rely on greater resources than most of the private universities; not always with the best results nor minor costs for the students.

Finally, it is tried to give a negative connotation to profit and there is no reason for it. It is completely legitimate that people and institutions have profits in their activities, even more so if they benefit the country. Indeed, those participating in public universities also act induced by profits. Academicians receive competitive salaries with productivity bonus, while students expect to receive higher salaries in the future.

Conclusion

Far from being in crisis, the education system in Chile goes through its best historical moment. The access and quality levels are without precedents. Although there are several factors which can be

improved, the student's proposals are not necessarily pointing at the right direction. There are no good reasons to give preferential treatment to the universities belonging to the Council of Rectors of **Chilean Universities (CRUCH)**. Several private universities have shown to be efficient in the use of resources and capable of giving quality education. Additionally, the sovereign credit system has allowed massifying higher education. Although it requires changes, until now it has shown satisfactory outcomes.