EDITORIAL

CHALLENGES FOR STATE UNIVERSITIES IN CHILEAN HIGHER EDUCATION SYSTEM

Higher Education in Chile is in a stage when it seems necessary to establish very relevant definitions, that range from defining the role of the State to defining regulation, funding mechanisms and Chilean Universities goals.

So far, attention and debate in terms of media coverage, has been mainly focused on funding mechanisms, paying special attention to the background and diffuse boundary between public and private resources. UNESCO and the OECD (Organization for Economic Cooperation and Development) have defined public education “as one that is controlled and managed by a public authority, no matter how it is financed”.

Chilean Higher Education system is composed of state owned universities, subsidized private universities and private universities that do not receive state funding. This difference in ownership is a determinant of their institutional missions and goals. State universities are part of the public policies of the state, as they help promoting greater social inclusion through their contribution to economic, social and cultural development across the country. At the same time, these actions contribute to decentralization by means of promoting further interaction with development poles. In this sense, state universities are mandated to generate common good, while for private owned institutions this is just an option.

Nevertheless, the contribution being made by many private higher education institutions to the country’s economic and social development should not be ignored. It is a known fact that some subsidized private universities score high performance indicators, but it is also true that the legal status of these institutions enables them to move with flexibility (as private law/privately held institutions) in contrast with state universities, most of which in addition have to face a financial burden, accumulated over the years since the Chilean university system was deregulated. Today's state universities face a structural disadvantage, which can only be overcome by modifying their legal, administrative and financial structure (read “how to allocate and use resources efficiently”). Even so, state universities offer the system's lowest tuition fees.

Public funding is a vital issue. If we compare public investment in our Higher Education system with other countries, evidence shows that Chile is one of the countries with lowest public investment, reaching only 0.3% of GDP, below all the OECD countries, which average 1.3% of GDP. In contrast to what happens in Chile, in developed countries such as Denmark, Finland, Sweden, France and Germany, state participation in the provision and funding of education is considerable.

Among the above mentioned countries are the three best ranked by index of competitiveness of the World Economic Forum (WEF), ranking that analyzes quality in higher education, training and ability to train qualified workers, capable to adapt themselves to a rapidly changing environment. These are nations that have been able to carry out huge leaps in progress and economic development. They stand out as an aspiration, that by means of better education, we seek to achieve.

In Sweden, for example, higher education funding is mostly public, as nearly 95% of resources are provided by the state and, although there are efforts to decentralize, the tertiary education system is characterized by a strong state presence that controls important aspects to ensure sustainability and quality.

In Chile, state input for higher education institutions is simply not enough, statement that is easy to prove when assessing the financial damage accumulated in state universities, embedded in a system with severe disadvantages. This situation is even clearer when compared to international standards.

In fact, based on data published in the 2007 Statistical Yearbook of the Council of Rectors of Chilean Universities (CRUCH), it can be seen that of the six universities that receive the largest amounts of public funding, five are privately
owned. Thus, the university that receives the highest state contribution is a private corporation, representing almost a 48% of its income, while the last six places in the state funding rank, correspond to state universities. The last one in the rank receives only a 4.9% of public funding.

Today there is a governmental initiative to amend the public funding mechanism, Indirect State Subsidy (AFI), which has been very criticized over the years. The Parliament is discussing the Retirement Incentive Plan for State Universities Functionaries and this is opening up a place to analyze a “new deal” for State Universities, which basically seeks to match the conditions of use of public resources in order to promote the development of models that advocate for quality teaching, research excellence, scientific and technological production, generation of relevant knowledge for development, equity, responsibility and social inclusion. This new deal by no ways means to diminish the role of private universities in their contribution to the accumulation and dissemination of knowledge throughout society.

Within the field of engineering in Chile, one can find three important groups: civil engineering, technical engineering and other major engineering that are not included in the above groups, such as forestry, food, financial, economy and others.

Considering the total of engineering enrollments in Chile for 2008, that reached the up to 161,097 students, 25% of this enrollment corresponds to the state universities system. Particularly for civil engineering, enrollment in 2008 reached a total of thirty six thousand students, of whom 35% are enrolled in state higher education system, with over 53% of students entering CRUCH universities.

Engineering is a critical mass whose formation has high impact on the future development of various sectors of the country, with emphasis on the pillars of economic sectors, creating value for its citizens, helping to define the identity of the country according to its comparative advantages. Engineering, as a higher education sector, requires the same structural changes that are required for the entire higher education system, in order to make the necessary contribution to improve the competitive position of the country.

There is no doubt that engineering has much to say and do in the field of education at all levels, including and emphasizing, of course, those areas that are most closely related, such as technical training, at all stages, including secondary technical/professional education. Future education, and also present, require extraordinary support from engineers through knowledge, the use of Information Technologies and managing of complex organizations, since the skills they acquire during training, as they learn how to integrate technological knowledge and its application to management methodologies that aim at efficient use of resources, networking activities, both group and individual, to promote team work and the values that facilitate those relationships. Also, engineers can play an important role in reducing the gap in linking higher education with the private business sector.

There are many challenges facing state universities and efforts are being aimed to become a high quality referent in undergraduate and postgraduate teaching, institutional management, research and in relating with the community. Even more, state universities must be able to respond to society as a whole, promoting pluralism, tolerance and equity through sustainable institutions throughout the country. But to be able to fulfill this desire, it is vital for the state to assure fair competition, in benefit of the growth and development of the country.

PhD. Juan Manuel Zolezzi Cid  
Rector of the Universidad de Santiago de Chile  
Avenida Alameda Libertador Bernardo O’Higgins 3363.  
Estación Central. Santiago, Chile

President of the Consorcio Universidades Estatales de Chile (CUECH)  
Moneda 673, Piso 8. Santiago, Chile