

# Changes in Chile's Higher Education Entrance Fee Policy under Neoliberalism

## — Taking Multi-source Flow Theory as the Research Perspective

Lingli Liu

Fujian Normal University, Fuzhou, Fujian Province, 350007

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**Abstract:** Based on the multi-source flow theory, this paper mainly adopts the method of text analysis to study the development process and current situation of higher education admission tuition policy in Chile under the neoliberal political model from three aspects: problem flow, policy flow and political flow. The study found that throughout the process, demonstrations by students dissatisfied with high tuition fees constituted a problem stream; The Chilean government's reform since 1980 has continuously introduced policies to revise tuition fees, as well as the opinions put forward by various experts and scholars, constitute the policy flow; The interference of various political factions and the expectations of the people constitute the political flow. The convergence of the three parties has made the issue of higher education entrance fees in Chile increasingly important.

**Keywords:** Multi-source flow theory; Neoliberalism; Chilean Higher Education Entrance Fee Policy

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In 2007, when Chile's per capita GDP exceeded \$10, 000, the gross education rate in higher education had reached 53.96%, entering the stage of popularization, more than ten years earlier than China's. <sup>[1]</sup> In general, Chile has achieved remarkable results in reforming higher education since the 19th century, However, in Chile's higher education, the problems arising from neoliberal tuition fees for higher education entrance need to be further resolved. There are relatively few studies in China on the combination of the issue of higher education entrance fees and neoliberal political models in Chile, so this paper will use the multi-source theory to illustrate the important influence of neoliberalism on Chilean higher education policy.

### 1. The process of higher education reform in Chile

Since the 20th century, Chile's educational reform can be divided into three stages, the first stage is the educational reform in 1967~1973, in this period of educational reform is closely linked to political reform. This reform has increased public funding and has seen a significant increase in enrolment, and the coverage rate of higher education expanded from 7. 1% to 16. 8%. <sup>[2]</sup>

The second stage was 1973~1990, and several educational changes were carried out in these nearly twenty years, which is an important embodiment of the neoliberal political model. Under the reform program known as "Seven Modernizations" in 1980, the main purpose was to create market competition between university colleges, under which the state abolished investment in university running funds and universities had to finance themselves. Student admission tuition becomes a major part of their budget. At the same time, the authoritarian government established a public loan system to which students who could not afford to pay their tuition fees had to take out loans in order to continue their studies. In addition, authoritarian governments have established competitive financing mechanisms to encourage universities to admit only the best students in entrance exams, and have rules prohibiting democracy within universities. <sup>[3]</sup>

The third stage is the reform after the 90s, first of all, the investment in higher education has increased significantly, which is not only the growth of public finance, but also drives the support of all sectors of society for higher education; Secondly, the number of undergraduates, graduate students, etc. has also increased significantly, and in 2007, Chile's higher education has reached the stage of popularization.

In general, after these reforms, in addition to the significant increase in enrollment, the structure of higher education spe-

cialization has changed, and the number of private universities in Chile's higher education system far exceeds that of public universities, with special emphasis on the fact that in 2010, the enrollment rate of private universities exceeded that of all universities belonging to the "Council of Deans of Chilean Universities" (CRUCH) combined. On the issue of tuition fees, Chile is one of the OECD countries, but it has the smallest share of expenditure on higher education. The tuition level adjusted for per capita GDP is also second only to private universities in the United States. <sup>[4]</sup> Although Chile has been carrying out higher education reform, the level of privatization is still high, the cost of education is also high, and the class solidification is more obvious. <sup>[5]</sup>

## **2. Changes in Chile's higher education tuition fee policy from the perspective of multiple sources**

The multi-source flow theory is a work of John J. A theory of decision-making processes proposed by W. Kingdon. In general, it aims to study the process of making public policy in ambiguity, and is mainly used to describe the decision-making environment of complex organizations such as governments, countries, and universities, in order to answer how policy questions attract the attention of officials, how policy agendas are established, etc. In the process of setting the policy agenda, the source of the problem is the beginning of this policy agenda, which refers to what kind of issues can be a concern of the government; Policy flow refers to the process of generating, discussing, redesigning and receiving broad attention to policy advice in a community that includes researchers, administrators, and interest groups. Political sources refer to the influence of political factors on policy agenda setting, that is, the main study of political events and activities that promote the elevation of policy issues to the policy agenda. Including legislation, succession, national sentiment, etc. At a critical point in time, the three major sources come together, the "policy window" is opened, and policies are put on the agenda. Policy windows are often opened by an urgent issue or an important political event, so the "policy window" is only open briefly, so participants (mainly "policy entrepreneurs") need to seize the opportunity to work towards the convergence of the three streams to put public issues on the agenda. <sup>[6]</sup>

### **2.1 Problem source flow analysis**

Chile's higher education has a large number of private universities and expensive tuition fees; In addition, after the reform of the 80s of the 19th century, the education system began to be governed by "market rules", and the dictatorship under neoliberalism required public universities to also raise their own funds, and public universities had to charge tuition fees to students in order to maintain their own development, and many students had to take out loans in order to pay high tuition fees, which brought great pressure to families. The income from a job after graduation is nowhere near as much as the cost of taking out a loan to go to school. Many students are even poorer after higher education. In 2011, the student movement broke out, and the issue of higher education tuition fees entered the public eye and received the attention of the government. Later in 2019, the trigger was a penny increase in subway fares. Public discontent with the government was once again at its peak, and the students once again marched.

### **2.2 Policy source flow analysis**

In response to the issue of higher education entrance fees in Chile, the government and relevant interest groups have been designing and introducing many policies. The first was the introduction of a policy of imposing tuition fees, followed by various policies for lending to students, such as the Advisory Committee established by the new Government in 1990, which considered higher education to be a "quasi-market". The role of the State is therefore to achieve quality improvement within each higher education institution through the introduction of financial policies for different institutions of higher learning and their students. States should avoid preferential treatment of certain institutions and should allow markets to develop. This led to a new private lending system created in 2005, known as "State-Guaranteed Credit".

Later, due to the large-scale student movement in 2011, the problem of higher education tuition fees had to be solved, and the Chilean government reformed the field of higher education and began to gradually restore the free tuition system. In 2015, the government Congress represented by Michel passed a law aimed at opening the way for free higher education in Chile. The 2016 policy provided free higher education to students from the poorest 50 percent of Chilean higher education students, but only a small percentage of students benefited because private universities had the right to opt out of the policy. In recent years, the policy of free access to tertiary education for all is still far from being supported by the decline in copper prices, the decline in Chile's export profits, and the country's weak economic growth that cannot support the education budget needed to expand

free tuition and fund other ongoing educational reforms.

### **2.3 Analysis of political sources**

At the beginning, the dictatorial government that proposed to charge tuition fees brought political factors into Chile's higher education, and then the new government began to set up committees, and higher education became a quasi-market, deriving credit institutions; Then in 2011, the Sebastian government, which represents the interests of conservatives, refused to ban the neoliberal political model, but in order to stabilize students and expand funding for students, the leftist Chilean government represented by Michel began to gradually restore the tuition-free policy, and political factors were the main factors in the development of this entire development of higher education tuition policy. The student movement has opened a window on policy and put the issue on the agenda.

### **3. Summary and evaluation**

Chile's higher education reform has generally yielded good results, with enrolment growing and the quality assurance system of education constantly improving. On December 19, 2021 local time in Chile, Gabriel Boric, the spokesperson of the center-left, won the presidential election. The center-left has been supporting the reform of the tuition-free policy in higher education, and it can be expected to further strengthen the reform policy of free admission to higher education.

In addition, after the reform of higher education after 1990, democracy gradually returned to Chile, the left wing of the government began to pay attention to the aspirations of the broad masses of the people, and some public teachers began to have the right to participate in the process of public policy formulation, but that's only a small part. Therefore, the new Chilean government needs to strengthen the right of professional teachers to decide on internal policies in higher education, and cannot allow education to oscillate between political struggle, between the marketization of education and the publicization of education. If academic authority cannot play its role and power is too concentrated in the hands of the government or the market, then universities will lose their academic freedom, and academia will not be independent, and can only be used by political capital.

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