

Higher Education Finance and Cost-Sharing in Argentina

I. Brief Description of the Argentine Higher Education System

The higher education system in Argentina falls under the aegis of the Ministry of Education and is coordinated by the *Consejo Interuniversitario Nacional* (CIN) which administers policies for national universities on issues including public-private partnerships, national recognition of degrees and diplomas and national validation of foreign qualifications, among others. As of 2006, about 13.1 percent of total government expenditure goes to education of which 17 percent is allocated for tertiary education. The Gross Enrollment Ratio (GER) for the eligible cohort lies at 61 percent.

Levels of Study

The different stages of higher education in Argentina involve non-university level (post-secondary technical/vocational) education and university level studies. Higher technical education, at the non-university level is offered by technical institutes (*Institutos de Formación Técnica*), leading to an award of *Título Menor*. These have varying lengths of study depending on the program. University level studies involve three stages: Bachelor's, Master's and Doctorate. There are also teacher training institutes that train pre-primary and primary/basic school teachers (World Higher Education Database).

Types of Institutions

Higher education institutes in Argentina are categorized as National universities, private universities, national institutes, private institutes and other universities. The *Consejo Nacional de Evaluación y Acreditación Universitaria* (CONEAU), established in 1997, oversees (in collaboration with other authorities) external evaluation of all universities, provides authorization of new universities; and in some cases accredits graduate and undergraduate programs. Entry into the higher education system varies and is based on a previously earned degree and in some case entrance exams. Most public universities follow an open enrollment policy. Some private institutions follow an admissions procedure similar to American universities, where students take tests equivalent to SAT and GMAT, provide essays and take interviews, and some others mandate introductory course and entrance exams (Rozada & Menendez, 2002).

The national universities (also known as public or state-run universities) are the largest university system in terms of student enrollment accounting for 80 percent (estimated 1,275,000) of the undergraduate population in 38 universities spread across Argentina. These also account for 50 percent of the country's scientific research. These institutions were created out of the National Congress Act (except those preceding the formation of the State – example: *Universidad Nacional de Córdoba* and the *Universidad de Buenos Aires*) as Public Law Legal Entities funded by state through the annual national budget.

The establishment of private universities dates back to the 50's with the *Universidad del Salvador* being the first. These are non-profit civil associations or foundations sometimes related to religious communities. There are 41 such universities accounting for an estimated 245,000 undergraduates and their functioning is overseen by the *Consejo de Rectores de Universidades Privadas* (CRUP) (Private Universities Presidents' Council).

Apart from the national universities and private universities, there are six national institutes in Argentina established in accordance with Act No. 24521, offering single subject academic programs. Since these are established as ‘institutes’ they are not subject to the application of Universities autonomy and governance rules. Added to this are the private institutes also governed in accordance with Act No. 24521 under the aegis of CRUP. There are 14 such institutes with an estimated enrollment of 9300 students.

Historical Context and Continuing Reforms

The past three decades have seen Argentina go through periods of economic stability and unrest. Against this backdrop, the Argentine education system also went through considerable changes. The early 1990’s saw legislative changes including the Law of Transfer (No 24,049), 1992; the Federal Law of Education (Law 24,195) passed in 1993 and the Law of Higher Education (Law 24,521), passed in 1995. While the combined laws, the strategic policies and various authoritative bodies established since have brought in considerable change at all levels of the Argentine education system, the following section will concentrate only on Higher education¹ (*Ministerio De Cultura y Educacion de la Nacion*).

The Law of Higher Education

Passed in 1995, the Law of Higher Education, sought to systemize and strengthen the overall system. Among the many salient features of the Law were:

- Establishment of the autonomous National Committee of University Evaluation and Accrediting (CONEAU)
- Establishing autonomy of institutions
- Revoking the ban on charging fees

These directives were a result of the goals set down by the Secretary of University Policies (SPU), established in 1993, among which were the push towards, quality, equity and access, efficiency and efficacy and greater co-ordination. Bearing these goals in mind several reform strategies were adopted - including economic strategies (*Ministerio De Cultura y Educacion de la Nacion*). Universities were given greater financial autonomy. Restrictions on the creation and administration of additional resources (apart from those granted by the National treasury) were removed allowing for supplementary contributions including students contributions. Salary decisions were decentralized and universities gained the power to establish their own labor and salary agreements.

Structural transformations were carried out with the help of the World Bank which offered funds amounting to USD 240 million. These funds were directed towards the Program for Reform of Higher Education and administered through the Fund for the Improvement of Quality in Universities (FOMECE). Added to this there have been

¹ For a more detailed exploration of policy changes and effects at primary and secondary levels consult: “National report on the Development of Education” presented at the *International Conference on Education, 2004*. Sourced on 03/14/08 from: http://www.ibe.unesco.org/International/ICE47/English/Natreps/Nrep_main.htm and “Argentine Education in the Society of Knowledge” *Ministerio De Cultura y Educacion de la Nacion*. Sourced on 03/13/08 from: <http://www.zona.lacarabela.com/zona98/EASC/eng/home.html>

increases in funds for faculty research and a move towards greater efficiency through a New System of Budgetary Allowance that aimed to, in a five year period starting 1997, distribute not less than 40% of total allowance based on a criterion of efficiency and rationality (*Ministerio De Cultura y Educacion de la Nacion*).

The Argentine higher education system also saw an increased focus on quality. As mentioned earlier the National Committee of University Assessment and Accrediting (CONEAU), was established in 1995 to carry out institutional assessment and implement recommendations. Argentina also focused on fostering an integrated system among regional institutions through the Regional Councils for the Planning of Higher Education (CPRES) created in 1993. These implement program among the universities of a region, organize post-graduate courses in the area and create programs technologically related to the region (*Ministerio De Cultura y Educacion de la Nacion*).

II. Financing Higher Education in Argentina

Equity and access to higher education is another area of concern that is being addressed in the Argentine system. Most State run universities and institutes do not charge a tuition fee unlike private universities and institutes. Moving away from a historically ordained structure of total tuition exemption, the Argentine system follows a hybrid format that, which on the one hand clearly establishes the responsibility of the State to provide tuition free higher education; and on the other hand recognizes the university's right to collect tuition fees. While revoking the compulsory tuition free environment in higher education, the state mandates that those universities that choose to charge tuition fee for studies provided must also set aside resources to supply scholarships and academic backing for students with disadvantaged backgrounds, complying with the principles of "gratuitousness and equity" marked by the National Constitution and the Federal Law of Education (*Ministerio De Cultura y Educacion de la Nacion*).

Argentina

Estimated Higher Education expenses borne by parents and students First Degree, Academic year 2008-2009

[National currency converted to \$US by 2009 Purchasing Power Parity \$1 =
Argentinean Peso 1.551]

	Public	Private	
		High	Low
<i>Instructional Expenses</i>			
Tuition	NA	ARS24,000 [\$15,474]	ARS8,000 [\$5,158]
Books and photocopies	ARS600 [\$387]	ARS800 [\$516]	ARS800 [\$516]
<i>Living Expenses</i>			
Housing	ARS6,000 [\$3,868]	ARS6,000 [\$3,868]	ARS6,000 [\$3,868]
Commuting	ARS800 [\$516]	ARS960 [\$619]	ARS960 [\$619]
<i>Total cost to parent and student</i>	ARS7,400 [\$4,771]	ARS31,760 [\$20,477]	ARS15,760 [\$10,161]

(Source: Personal correspondence, Professor Marcelo Rabossi, Profesor Asistente Escuela de Gobierno, Universidad Torcuato Di Tella.)

Notes:

- Data in the above table is for undergraduate education in Social and Human Sciences.
- Commuting in public universities is less than in private universities/colleges given that students in the former assist 3/4 days per week vs. 5/4 in privates.
- Books and photocopies in public universities are less given that, on average, students take fewer courses per semester.
- Only a small proportion of students (private or public) face housing costs. In general they choose institutions within commuting distance, living with their parents
- Undergraduate public universities in Argentina charge no tuition
- Exchange rate March 3, 2009 (US\$1 = Arg. Peso3.6);
- Purchasing Power Parity Conversion retrieved from Econ Stats website (www.econstats.com); URL: <http://www.econstats.com/weo/V013.htm> on March 6th 2009

Online Resources Consulted:

<http://www.unesco.org/iau/onlinedatabases/index.html>

<http://spuweb.siu.edu.ar/studyinargentina/pages/study100.php>

http://stats.uis.unesco.org/unesco/TableViewer/document.aspx?ReportId=121&IF_Language=eng&BR_Country=320&BR_Region=40520

http://www.ibe.unesco.org/International/ICE47/English/Natreps/Nrep_main.htm

<http://www.zona.lacarabela.com/zona98/EASC/eng/home.html>

<http://www.econstats.com/weo/V013.htm>

References:

Rozada, M. G. & Menendez, A. (2002) *Public University in Argentina: Subsidizing the Rich* Sourced on 03/14/08 from http://www.princeton.edu/%7Erpds/downloads/menendez_public_university_ar.pdf