

Mexico

I. A Brief Description of Mexican Higher Education System

As of 2006, the higher education attendance rate in Mexican higher education was over 26 percent of the 19-23 year old age group--up from only 5 percent of the cohort in 1970. Most of this increase took place throughout the 1970s and early 1980s. In the last decade of slower growth, women have accounted for up 40 percent of new students. Enrollments also vary significantly by region. As of 2005, there were over 1.7 million students in public tertiary education with more than half in universities (Brunner et. al. 2008).

Higher Education in Mexico falls under the aegis of the National Education System, which includes 1,892 institutions, all of which are autonomous or officially recognized by the Federal or State authorities. Of these, 713 institutions are public and 1,179 are private with different profiles (IAU World Higher Education Database and Brunner et al. 2008).

Higher education institutions can be classified as follows:

- *Public Federal Institutions:* These include the Universidad Nacional Autónoma de México (UNAM), the Universidad Autónoma Metropolitana (UAM), the Universidad Pedagógica Nacional (UPN) and the Instituto Politécnico Nacional (IPN). All four institutions carry out teaching, research and extension services.
- *Public State Universities:* These institutions are part of the local state government and also carry out teaching, research and extension services.
- *Public Technological Institutions:* Some of these are affiliated with the federal government, while others are affiliated with the state government. These institutions are classified by vocation and orientation. These institutions are coordinated directly by the Ministry of Public Education through the Undersecretary of Higher Education.
- *Public Technological Universities:* Technological universities are created on the federal government's initiative but as part of the local state governments and they carry out teaching, applied research as well as extension and technological services. Growth of the public system has been mainly concentrated on this type of university.

Other subsets within the higher education system include the *public polytechnic universities*, the *public intercultural bilingual universities*, and *teacher training colleges*. There are also 27 *research centers* which are coordinated by the Nation Council for Science and Technology (CONACYT), which establishes the guidelines and allocates funds for these institutions. These institutions carry out research and development activities but are also responsible for the provision of graduate research oriented programs. There are also some public higher education institutions, both autonomous and not, which are either coordinated by ministries other than the Ministry of Public Education or created by the local state governments and operated without the participation of or the allocation of funds by the Ministry of Public Education. Some of these are very prestigious (e.g. Colegio de México, Centro de Investigación y Estudios Avanzados or Universidad Chapingo).

Table 1. Mexico's Public Higher Education System

Subsystem	Number of institutions	Enrolments
Public federal universities	4	307,778
Public state universities	46	785,917
Public technological institutes	211	325,081
Public technological universities	60	62,726
Public polytechnic universities	18	5,190
Public intercultural universities	4	1,281
Public teacher education institutions	249	92,041
Public research centres	27	2,801
Other public institutions	94	124,609
Total	713	1,707,425

Source: Brunner et al. 2008

There are also 995 private higher education institutions (universities, institutes, centres and academies), which enroll 776,555 students and 184 private teacher education institutions, which enroll 54,267 students.

Throughout three decades of expansion, tuition at public universities has been extremely low, but not free. Article 3 of the Constitution is ambiguous as to whether higher education is the sole responsibility of the state. Nevertheless, tuition has always existed, though inconsistently, depending on both university and national politics. In the 1970s tuition became mainly “symbolic” in the sense that it had not increased since the 1960s and periods of high inflation had eroded its real economic significance. In the 1990s, political ideology and genuine necessity prompted universities to implement moderate increases in tuition and fees. Increased enrollments, less public revenue and little private contributions have progressively resulted in overcrowding and reduced quality of facilities and instruction in most public universities, and opened the way for both an elite, and more recently, a demand-absorbing, private sector.

Tuition increases have not been uniform although *cost-sharing* initiatives have certainly emerged as the policy pattern. Yet, because of its size, significance, and visibility, there is a tendency by those outside Mexico to presume that what happens at Mexico's flagship public university, the National Autonomous University of Mexico, or UNAM, is the national standard. In reality UNAM is the exception, being the only university unable to raise tuition; all other public universities to some degree have raised tuition. However, the process has been haphazard. Political and organizational autonomy of de-centralized public universities can partially explain inconsistent tuition policies both within and between universities. But another, perhaps more reconcilable, problem is that universities generally calculate tuition and fees on the basis of meeting a certain percentage of costs of a university education, not by need. Tuition fees at private universities are as high as 120,000 new pesos (US\$16,830) per year.

Responses to tuition increases have varied significantly by region and institution. Some attempts by universities to raise tuition were met with strong student opposition –e.g. UNAM-- while others have encountered little opposition. The result of these political and

structural dynamics is that, in effect, there is no policy for fees and tuition. Many of the public universities do not publish tuition/fee costs on their web-sites.

Access to higher education in Mexico is quite unequal with the attendance rate of the lowest parental income quartile being only 22 percent, while that of the highest parental income quartile is 67 percent (Kaufmann 2007). The public sector, which accounts for 70 percent of total enrollments, has been challenged by government and citizens to improve access. By shifting some costs of higher education from government and taxpayers to parents and students and increasing need based scholarships, and loan schemes, some *cost-sharing* should be able to increase revenue and maintain accessibility.

To date, student financial assistance in Mexico is quite limited. Only five percent of undergraduates receive grants or scholarships and only two percent receive student loans (Kaufmann 2007). The Programa Nacional de Becas de Educación Superior (PRONABES), the means tested national scholarship program, was created in 2001 to provide needy (and academically meritorious) public sector students with monthly stipends. As of 2009, eligible students receive 750 new pesos (US\$105) per month in the first year of study, 830 new pesos (US\$116) per month in the second year, 920 new pesos (US\$129) per month in the third year and 1,000 new pesos (US\$140) per month in the fourth year. In the 2007-2008 academic year, 250,000 students benefited from PRONABES stipends.

There are few student loans available in Mexico and no national student loan program. Three states (Sonora, Tamaulipas and Guanajuato) have fairly well developed loan programs. A state loan program with financing from the National Bank of Public Services and Works (BANOBRAS) is being piloted as part of the World Bank's Higher Education Student Aid Programme in the State of Quintana Roo (Credito Educativo del Estado de Quintana Roo) and it is expected that nine other states will join (Brunner et. al. 2008).

In the state of Sonoro, the Instituto de Credito Educativo del Estado de Sonora was created by the federal and state governments to make loans to private and public sector students. The loan amounts are based on each student's socio-economic background and desired course of study. The loans must be guaranteed by a cosignatory (usually the parents). If the total credit amount exceeds 250,000 new pesos (US\$35,063), a co-signatory with private property who is not a parent is needed. Students pay an interest rate of 6 percent during the study period. The principle (and interest accumulated during the grace period) starts to be paid after a six month grace period following course completion according to a repayment schedule stipulated in the loan contract.

In Tamaulipas State, the Instituto de Credito Educativo (ICEET) makes means tested loans to ranging from 700 to 5,000 new pesos (US\$98 – 701) for students in private institutions and from 1,000 to 2,000 new pesos (US\$140 – 280) for students studying in public institutions. The loans must be guaranteed by a cosignatory. Interest (stipulated in the loan contract) must be paid during the study period. The principle (and interest accumulated during the grace period) starts to be repaid after a six month grace period following course completion according to the repayment schedule stipulated in the loan contract.

In Guanajuato State, the Instituto de Financiamiento e Informacion para la Educacion (Educafin) makes means tested loans to university students of up to 150,000 new pesos

(US\$21,037). The loan must be guaranteed by a cosignatory. Interest is fixed at an annual rate of 7 percent during the life of the loan. During the study period, the borrower must pay off 10 percent of the total loan plus monthly interest of 0.58 percent and monthly insurance fees. Upon course completion, the borrower has a grace period of 6 to 12 months during which he/she is only responsible for paying interest and insurance fees. The remaining 90 percent of the loan is paid over a period equal to that for which the student received the loan. The student must carry out a community service project for each semester that he/she received the loan.

Finally, the Sociedad de Formento a la Education Superior (SOFES) was created by a federation of 90 selective private universities to provide means tested loans to their students. Students must provide co-signatories and those who can provide collateral are awarded higher loan amounts. SOFES makes the loans using a loan from the World Bank that is guaranteed by the federal government through BANOBRAS. The interest rate on the loans is inflation plus 2 percentage points and during the study years, students pay only the interest. Repayments are collected by the universities. After a six month grace period following course completion, students begin repayment in monthly installments with the total repayment period equal to twice the length of the loan period. Universities must take over the loan from SOFES if it has been in default for 9 months.

There is little institutional financial assistance in Mexico.

II. Estimated Expenses of Higher Education

MEXICO

Higher Education Expenses Borne by Parents and Students First Degree, Academic Year 2008-09

[National currency converted to \$US by 2005 ICP World Bank
Purchasing Power Parity \$1 = Mexican New Pesos (MXN) 7.13]

		Public Universities			Private Universities	
		Low Public	Moderate Public	High Public	Low Private	High Private
Instructional Expenses	Special "One-time" Fees	0	MXN100 [US\$13]	MXN250 [\$ 32]	n.a.	n.a.
	Tuition Fees	MXN1,000 [US\$126]	MXN3,000 [US\$378]	MXN6,500 [US\$818]	MXN13,000 [US\$1,636]	MXN130,000 [US\$16,353]
	Other Fees	MXN400 [US\$51]	MXN1,000 [US\$126]	MXN2,500 [US\$315]	n.a.	n.a.
	Books & Other Educational Expenses	MXN500 [US\$63]	MXN1,000 [US\$126]	MXN1,400 [US\$177]	MXN700 [US\$88]	MXN3,000 [US\$378]
	Subtotal Expenses of Instruction	MXN1,900 [US\$239]	MXN5,100 [US\$641]	MXN10,650 [US\$1,340]	MXN13,700 [US\$1,724]	MXN133,000 [US\$16,703]
Student Living Expenses	Lodging	0	MXN6,000 [US\$798]	MXN15,000 [US\$1,995]	0	MXN15,000 [US\$1,995]
	Food	MXN3,000 [US\$378]	MXN6,000 [US\$798]	MXN13,000 [US\$1,636]	MXN3,000 [US\$378]	MXN13,000 [US\$1,636]
	Transportation	MXN1,200 [US\$160]	MXN2,000 [US\$252]	MXN7,000 [US\$931]	MXN1,200 [US\$160]	MXN7,000 [US\$931]
	Other Personal Expenses	MXN2,500 [US\$315]	MXN4,000 [US\$532]	MXN7,000 [US\$931]	MXN2,500 [US\$315]	MXN7,000 [US\$931]
	Subtotal Expenses of Student Living	MXN6,700 [US\$891]	MXN18,000 [US\$2,394]	MXN42,000 [US\$5,586]	MXN6,700 [US\$891]	MXN42,000 [US\$5,586]
Total Cost to Parent & Student		MXN8,600 [US\$1,144]	MXN23,100 [US\$3,072]	MXN52,650 [US\$7,001]	MXN20,400 [US\$2,713]	MXN175,000 [US\$23,272]

Low estimates are averages based on a single student living with parents.

Average estimates are based on single students not with living with parents.

High estimates reflect those students who are head of household, and having a car.

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