

**PRIVATIZATION AND ACCESS:
The Chilean Higher Education Experiment and Its Discontents**

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ABSTRACT

President Barack Obama recently announced a proposal to eliminate tuition charges at community colleges so that everyone can easily complete the first two years of a university education. At the same time, the administration is creating new regulations to curb the worst abuses of for-profit universities. This suggests that the country has reached a turning point regarding access to higher education. There is a practical limit to privatization, and the countries that have privatized their higher education systems most aggressively, such is the case of the United States, are now reaching it. One country where the increase in university tuition has reached the limit of what the public will tolerate is Chile, where the most deliberate and comprehensive university privatization experiment in the world was carried out and where the most intense student protests calling for greater access have occurred, bringing this issue to the forefront of the nation's political discourse. Indeed, President Michelle Bachelet has recently promised to make higher education free of charge. This essay examines the recent history of Chilean universities and current debates regarding tuition and inequality that reflect a similar discussion in the US regarding whether higher education is a public or private good, and who should pay for it.

Keywords: Privatization, Access, Student Protests, Free Tuition, Chile

Introduction

President Barack Obama recently announced a proposal to eliminate tuition charges at community colleges so that everyone can easily complete the first two years of a university education, which, he believes should be as free and universal as high school is today. In connection with this initiative, first lady Michelle Obama is launching a public awareness campaign to encourage young people to pursue postsecondary studies. At the same time, the administration is creating new regulations setting limits on how much money for-profit universities can receive from the federal government and cutting off federal support to programs whose graduates have trouble paying their student loans. So the effort to expand access to public higher education is coupled with an attempt to curb the worst abuses of for-profit universities. This suggests that the country has reached a turning point regarding access to higher education. Indeed both of the major Democratic presidential candidates, Hillary Clinton and Bernie Sanders, have discussed plans that would make college free or nearly free. In addition, Vice President Joe Biden called for free K-16 education when he announced that he would not be running for president.

These proposals are not being made in a vacuum but rather are part of a larger picture. There is a practical limit to privatization, and the countries that have privatized their higher education systems most aggressively are now reaching it. The United States has one of the most market-oriented higher education systems in the world. American institutions of higher learning were built on competition from the start, as Thorstein Veblen (1918) and Upton Sinclair (1923) brilliantly explained almost one century ago, when they painstakingly detailed the many ways in which universities in the United States were linked to, and acted like, business

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corporations. Since then, this phenomenon has become more intense, experiencing a sharp acceleration during the last third of the 20th Century, when, at the height of neoliberal influence, higher education was conceptualized as a private good and treated accordingly. Students of American higher education have analyzed the commoditization of knowledge in detail, referring to “entrepreneurial universities” and “academic capitalism” (Aronowitz 2000; Clark 1998; Giroux & Giroux 2004; Giroux 2014; González 2011; Harvey 2005; Hill & Kumar 2009; Newfield 2008; Slaughter & Leslie 1997; Slaughter & Rhoades 2004; Turner 2008; Washburn 2006).

One of the most frequent claims of neoliberal activists and thinkers is that there is no workable alternative. Political and academic leaders have often expressed the belief that the “entrepreneurial university” and “academic capitalism” are inevitable. But an alternative higher education model seems to be emerging, and there is hope that higher education may be treated more like a public good in the near future. Higher education has become very expensive, and many students and their families are overburdened with debt. Indeed some students are now calling for a “debt strike.”

One country where the increase in university tuition has reached the limit of what the public will tolerate is Chile, where the most deliberate and comprehensive university privatization experiment in the world was carried out and where the most intense student protests calling for greater access have occurred, bringing this issue to the forefront of the nation’s political discourse. Indeed, President Michelle Bachelet has recently promised to make higher education free of charge. In light of this development, we believe that a review of the recent history of Chilean universities and the contemporary policy debates related to tuition provides a useful comparative perspective with the U.S. In both nations, there is a similar public discussion on whether a university education is a public or a private good, and who should pay for it.

The Chilean Situation

In the history of Chilean universities, September 11, 1973, the day of the military coup led by Augusto Pinochet, during the Richard Nixon administration, stands out as a clear dividing line. The coup gave rise to a period of extreme neo-liberal policies under the influence of American economists. These programs profoundly affected universities, among other sectors of society.

The Pinochet dictatorship was harsh. Democratic freedoms were abolished and human rights violated. Thousands were killed and tortured. Many others went into exile (Burbach 2003, 1-5). Over time, the dictatorship softened somewhat. In the plebiscite of 1980, a new constitution was approved, and Pinochet was made president for an eight-year term. After the economic crisis of the 1980s, Pinochet was not able to gain sufficient support and lost the 1988 plebiscite. This led to general elections in 1989, when the presidency went to a coalition candidate who took office in 1990. It was a relatively smooth transition to democracy, but it was full of compromises. The dictatorial past was swept under the carpet, and the aggressively liberal economic policies of the military government were not reversed.

Indeed, during the Pinochet era, and most particularly after 1980, the country had moved sharply toward a liberal market economy. This coincided with the golden age of neoliberalism in the United States, where President Ronald Reagan, in part under the influence of Milton Friedman and other conservative economists, implemented tax cuts and reductions in government regulations. But while the United States effected deregulation in a casual and incomplete way, Chile, being a dictatorship, applied the ideas imported from that country systematically and by decree, doing away with many social services. The privatization of pension plans, health care and education introduced a degree of economic insecurity among the population, which was forced to fend for itself in a less-than-fair market situation (Figueroa 2013, 40). As we shall see, this drastic privatization process would have a great impact on Chilean universities.

Chilean Universities before September 11, 1973

The first full-fledged university in Chile, the Royal University of San Felipe, was established in the 18th Century. The Spanish Empire brought state-of-the-art institutions of higher learning to its colonies in the 16th Century. Following the example of the prestigious University of Salamanca, the Universities of Mexico and Lima, both founded in 1551, Chilean universities were initially developed as comprehensive institutions of higher learning that offered bachelor’s, master’s and doctoral degrees. The doctoral degree was not based on research and discovery but on the defense of a thesis with the help of the three key disciplines of Logic, Rhetoric and Dialectic, according to the medieval scholarly tradition that was prevalent until the 19th Century. These two universities served as a prototype for other Latin American institutions of higher learning, including the Royal University of San Felipe, established in 1738 in Santiago de Chile, in accordance with the University of Lima model. In 1842, after independence from Spain, the University of Chile replaced the old colonial university. Unlike the Royal University of San Felipe, the University of Chile did not offer doctoral degrees and its emphasis was on professional education.

The Catholic University, founded in 1888, followed a similar pattern. Six other universities were established between 1888 and 1956: the University of Concepción (1919), the Catholic University of Valparaíso (1928), the Technical University Federico

Santamaría (1929), the State Technical University (1947), the Austral University of Chile (1954) and the Catholic University of the North (1956). All of these eight universities received state support, although only two -- the University of Chile and the State Technical University -- were public. These universities constituted an elite higher education system, teaching a small minority of students, most of whom were from the upper social classes. During the 1950s and 1960s, the two public universities opened branch campuses around the country, as did some of the private universities.

A very important development in the history of Chilean universities was the creation of the Council of Rectors of Chilean Universities or CRUCH (Consejo de Rectores de las Universidades Chilenas) in 1954. This organization assumed the supervisory role over other institutions of higher learning held up to that time by the University of Chile. Nevertheless, the University of Chile continued to receive better funding than the other universities, and its rector became president of the supervisory council. Among other activities, the CRUCH coordinated research funding (Brunner 2015, 25-26; Bernasconi 2015, 271). Its creation coincides with the beginning of a greater emphasis on research at Chilean universities.

Latin America had neither sufficient industrial development to inspire scientific research nor civil service systems for faculty members to join. Accordingly, its universities did not produce much scholarship or develop full-time professoriates. Indeed, the doctoral degree was not even available at Chilean universities, until it was reintroduced in the second half of the 20th Century, when institutions of higher learning started developing graduate programs following the North American model (Marshall 2000). But even today, only a small fraction of Latin American universities can be considered research universities, and those produce relatively few Ph.D.s (Bernasconi 2008, 70). Chilean universities once had many faculty members who earned Ph.D.s abroad or simply lacked this degree. This started to change after the creation of the CRUCH.

The 1967-1968 reforms, carried out during Eduardo Frei's presidency, greatly increased public spending on higher education, giving more access to the middle class. Although the number of universities did not increase, enrollments did, and the eight existing institutions of higher learning opened centers or branch campuses around the country. The reform resulted in the professionalization of the faculty. Honorary professors were replaced with full-time academics, and the level of research activities started to rise. During this period, the National Committee on Scientific Research and Technology or CONICYT (Comisión Nacional de Investigación Científica y Tecnológica) was created (Bernabé Santelices 2015, 423).

At the same time, the ties between the university and society became stronger, and institutions of higher learning became more political (Riveros Cornejo 2013, 53-55). By the time Allende came to power, universities were at the heart of social tensions, which played out in their midst, a trend that continued during his presidency, when universities were both more autonomous and more influential than ever before (Brunner 2009, 175 & 188; 2015, 28-35). Among other things, universities owned radio stations and had a great ability to influence events (Brunner 2009, 187). This was not a situation that the military regime was willing to tolerate.

Chilean Universities after September 11, 1973

Immediately after the coup, the military government took control of universities, whose autonomy and influence it feared. Political appointees charged to sever all connections between the university and society replaced rectors. Collegial relations were replaced with a top-down bureaucratic system, and neither faculty nor students were free to speak their minds. In fact, fearing for their lives, many of them were forced to leave the country (Berríos 2015, 350). During this period, expenditures on higher education were drastically reduced, and student enrollments at public universities decreased (Riveros Cornejo 2013, 57). Universities experienced visible setbacks with respect to access. This undid much of the progress made in the 1960s, when students of more modest backgrounds obtained access to the university (Bernasconi 2007, 234-235; Ramírez Sánchez 2005, 165; Brunner 2009, 239; 2015, 35-37). After these forced reductions in enrollment, the military government changed its policy to one of enrollment growth achieved through privatization.

This took place as Chile moved sharply towards a liberal market system, designed by neoliberal economists educated at the University of Chicago under Milton Friedman and his colleague, Arnold Harberger, who had personal ties to Chile. Their former Chilean students, the so-called "Chicago Boys," were able to take radical economic measures unchallenged, because Chile was a dictatorship. One field in which this country's neoliberal experiment exceeded anything ever attempted in the United States was higher education, which was privatized by decree in 1980, not coincidentally, the year in which Ronald Reagan became president and launched his deregulatory revolution. As an extreme example of privatization in higher education, what happens in Chile should be of interest to observers in other countries. Indeed, Chile may be the canary in the privatization coal mine (Cristina González 2013).

First of all, it is important to understand that, unlike other developed countries, where public higher education has gradually lost funding over decades due to neglect, in Chile, it lost support by design, and this happened all at once when the military

government decided to weaken existing universities and create competing ones. Before 1980, Chile had eight universities, two public and six private, all receiving public funds and all free of charge. These eight institutions were very influential. In 1980, through a divide-and-conquer strategy, the military government gave independence to the regional branches of the existing universities, greatly reducing the power of the eight parent institutions.

Today, the CRUCH includes twenty-five universities, that is, the original eight universities plus their former regional branches, which are now independent universities. Of the twenty-five universities that belong to the CRUCH, sixteen are public, and nine are private. Both the now-independent branches and their parent campuses receive state funds, but after the military government's drastic cuts in financial support for higher education, all universities were forced to charge tuition fees and to seek other sources of funding while encouraging students to take out loans (Bernasconi 2007, 248-249). This was a radical step at the time. Indeed, Chile was the first country in Latin America to charge tuition fees (OECD 2009, 226).

In addition to limiting the growth of the existing twenty-five traditional universities that constitute the CRUCH, the government encouraged the creation of new private universities, entirely dependent on tuition fees, which were established all over the country under permissive authorization rules (OECD 2009, 31-32; Brunner 1992, 13; Brunner 2009, 418). Most of these new private universities were politically very close to the military government (Brunner 2015, 41). Even today, some of them are still connected to former members of the Pinochet regime. The academic quality of many of these new institutions is not high. They are very similar to for-profit universities in the United States, except that, in Chile, it is impossible to tell which university is for profit and which is not because they are all supposed to be non-profit. By law, universities cannot be moneymaking enterprises.

But many of these new private universities distribute funds to investors or supporters by means of large payments for space, equipment or services or by giving well-compensated administrative positions and consulting jobs (Riveros Cornejo 2013, 146-147). As Brunner (2015, 42) states, during the dictatorship, the political and economic limitations of the traditional universities contrasted with the de-regulated capitalist style of the new private universities. Among other activities, these often hired faculty members of the traditional universities on a part-time basis. While this allowed those faculty members to increase their income, it created conflicts of commitment, further hindering the ability of the Chilean professoriate to focus on research activities.

With the return of democracy in 1990, the higher education system created by the military government was not dismantled (Fernández Darraz 2015, 175-176). On the contrary, it became consolidated and institutionalized, although supervisory mechanisms, such as a university accreditation process, were introduced, but problems remained, including corruption. During this period, the number of students increased tremendously. Chile's higher education system went from elite to mass, and from mass to universal, in a relatively short period of time, and this was accomplished primarily through private universities (Brunner 2015, 43-61). Indeed, no new public universities have been established for decades, so enrollments at the new private universities exploded. College attendance grew from 14.4% in 1990 to 54.9% in 2012 (Ugarte 2013). At present, it is 71%, one of the highest rates of college participation in the world (Brunner, 2015, 51). The total number of university students expanded from 165,000 in 1983 to over one million in 2013 (Paredes 2015, 225). The private sector represents 93% of institutions of higher learning and 70% of enrollments (Bernasconi 2007, 249). Tuition is similar at all universities, whether public or private, traditional or new, high quality or low quality (Paredes 2015, 228). None of the Chilean universities is inexpensive.

With respect to funding of universities in Chile, private spending is more than three times larger than public spending, the precise opposite of the OECD countries (Brunner 2015, 48; León 2015, 116; OECD 2011, 225-232; OECD 2014a, 53; OECD 2014b, 232-236). Indeed, two-thirds of the spending on higher education is covered by students' families, representing the highest figure among all OECD countries (Hurtado 2012). As of 2009, average tuition in Chile amounted to 30% of the country's per capita income, three times the level in the United States (OECD 2009, 43). Only 13.8% of Chilean college students had scholarships, as opposed to 51% of American students (OECD 2009, 106). Although public funding for higher education has expanded in the last few years, people are still unhappy with the university system (Bernasconi 2014, 1411).

Higher education in Chile is more privatized than it is in the United States (Brunner & Uribe 2007, 61), and Chilean universities consequently spend a great deal of money on advertising (Brunner & Uribe 2007, 152). Enormous roadside billboards announce the services of various universities, and academic facilities display huge signs as well. These include the traditional universities, which feel compelled to participate in advertising wars with the new private universities, sometimes by proclaiming themselves "real universities." This marketing battle is exacerbated by the fact that students and their families cannot always discern universities that are serious from those that are not.

Families of limited means often deprive themselves of basic necessities and go into debt to send their children to universities of inferior quality, which will not help them, obtain good jobs. Meanwhile, banks make a great deal of money on profitable student loans (Figueroa 2013, 87). Although many young people attend some sort of college, there is much attrition, and many college

graduates from less distinguished universities wind up unemployed or underemployed (Brunner 2015, 54). As Brummer (2015, 44-45) remarks, Chile is an example of what Lucas (2001, 1642) calls “effectively maintained inequality.”

At present, Chile has gaps in its labor market. While some people do not have jobs, there is a shortage of qualified workers (OECD 2009, 133). Given the exceptional rate of university attendance, it is obvious that many college graduates are unqualified for available positions. Although there is more access to higher education than ever before, social mobility has not improved. Rather, students who naively believed that obtaining a college degree would increase their socio-economic status discovered that the rules of the game had changed. Too late, they learned that the sacrifices their families had made to put them through school, and the significant debt they had incurred, would not help them land coveted positions, since only degrees from the most prestigious universities lead to the best jobs (Espinoza & González 2015, 541 & 561).

Higher education in Chile is not only among the most expensive in the world in relation to income, but also among the most socially segregated, despite programs designed to increase access for students of modest means, such as the academic excellence fellowships for high-performing students from certain schools (María Verónica Santelices, Galleguillos & Catalán Avendaño 2015, 600). This situation, which has been described as educational apartheid (Figueroa 2013, 85), made students and their supporters demand a paradigm shift (Brunner 2009, 434; Vallejo 2012).

The 2011 Chilean Student Protests

Since 2011, there have been a series of large and vociferous student protests across Chile. These have been broadly viewed as a reaction to the outcomes of the reforms of the 1980s: high tuition fees and pronounced social inequality (Bernasconi 2012; Reyes Riquelme & Vallejo Dowling 2013; Fleet 2011; Brummer 2015, 48; Bellei & Cabalin 2013, 109; Figueroa 2013, 72). In Chile, upward mobility is difficult. Although there is some ability for those in the lower social echelons to rise to the middle, the upper classes remain impenetrable (Brunner & Uribe 2007, 237). In fact, Chile is one of the most unequal countries in the world. With a Gini coefficient of 0.51, Chile has the highest level of income inequality after government taxes and transfers among OECD countries.

Among other impediments to mobility, Chile has fewer women in college and in the work force than other Latin American countries (OECD 2009, 46 & 87). At present, women’s college participation is beginning to match men’s in terms of numbers, but not as regards the quality of the universities they attend. The status of ethnic minorities is worse than that of women, with a college participation rate that is still substantially lower than their percentage in the general population (Espinoza & González 2015, 548-549).

According to Nicolas Fleet (2011), the student movement expressed deep and broad concerns about Chilean society and the legitimacy of its political system. Although again a democracy, Chile still suffers from the ills of the Pinochet dictatorship, whose radical neoliberal policies exacerbated social imbalances. Following the reestablishment of a democratic government, these inequities were never truly addressed, let alone mitigated. In fact, they have been amplified by the forces of the global economy that are increasing inequality in countries around the world. It is not a coincidence that only a small percentage of the Chilean population expresses confidence in others (Ugarte 2013). The students protested against a society where solidarity was largely absent.

Repression against the student movement brought back memories of the Pinochet era. Among other actions, the government attempted to enact laws criminalizing some of the students’ activities (Reyes Riquelme & Vallejo Dowling 2013, 144). But their families, as well as many other citizens, were persuaded of the fairness of their demands and supported them (Reyes Riquelme & Vallejo Dowling 2013, 166). The Chilean student protests received extensive coverage around the world, and their most visible leaders, Camila Vallejo and Giorgio Jackson, were invited to visit Europe, where universities, to their students’ dismay, also were beginning to experiment with privatization (Figueroa 2013, 160-161).

The Chilean student protests coincided with demonstrations by other groups around the world following the 2008 economic crisis, which produced severe dislocations and deep unhappiness in many places. The “Arab Spring,” the “Spanish Indignants” and the “Occupy Movement” were part of the backdrop against which the Chilean student protest took place. The 2010 Chilean earthquake energized college students, many of whom did volunteer work, building personal ties and a sense of community (Figueroa 2013, 25). In addition to the preparation afforded by these community service activities, students had the example of the 2006 Chilean high school student protest known as the “Penguin Revolution” after the colors of the school uniforms. At that time, huge demonstrations and strikes forced the government to promise to meet some student demands, which revolved around greater access to education for all social classes. This movement spread all over the country and enjoyed strong support from the public (Fernández Darraz 2015, 191-192).

It is important to understand that the military government had changed not only the higher education system but also the schools, which it transformed according to neoliberal principles. One of the ways in which Chile experimented with Milton Friedman's ideas was by giving vouchers for students to attend the schools of their choice. This was a bonanza for private schools, but it did not increase equality (Bellei & Cabalin 2013, 111). In fact, poor students ended up attending public schools at higher rates than students from more affluent families (McMeekin 2010, 80-81; Espinoza & González 2015, 566-567). After the return of democracy in 1990, there were reforms to strengthen schools and to improve the curriculum, as well as the preparation and compensation of teachers. But the neoliberal changes implemented during the dictatorship are still fundamentally in place. Contrary to their advocates' predictions, those changes did not result in quality improvements through competition. Instead, the system became more socially stratified than ever before (McMeekin 2010, 92-94). Secondary education is compulsory, but not free, and schools often engage in discriminatory admission practices (Bellei & Cabalin 2013, 111-112). This is what caused the "Penguin Revolution" and ultimately, by resulting in a continuation of such inequalities at the college level, led to the student protests beginning in 2011.

Thus, both sets of student protests--at the high school and college levels--have been responses to the excesses of neoliberalism. The university student movement resulted in some policy changes, such as an increase in student aid, the creation of an agency to protect students' rights and monitor private universities' compliance with their non-profit status, and the revamping of the accreditation system (Bernasconi 2012). In addition, the protests made clear that students considered higher education a public good and a human right, and that this belief was shared by large segments of society (Bernasconi 2012; León 2015; Figueroa 2013, 93). The neoliberal theory that the financing of free higher education is regressive, because the rich do not pay tuition, and that student loans are the best way to offer opportunity has fewer followers than before (Figueroa 2013, 119). Indeed, protesters, who have advocated for the elimination of tuition fees in higher education and have asked for more funds for traditional universities, have been very critical of the new private universities, which have enriched many people, including some former members of the Pinochet regime that put them in place (Figueroa 2013, 62). Public sentiment against profit in higher education continues to be strong, and the debate continues (Bernasconi 2012).

A considerable number of universities are being investigated for possible violations of their non-profit status (Brunner 2015, 51-52). There also have been serious scandals regarding the accreditation system. After the 2010 change of government, leading to the resignation of the first president of the national accreditation commission, President Sebastián Piñera did not appoint a replacement. During that period, a deputy president who engaged in questionable behavior managed the commission. That deputy president, plus some rectors of private universities were later charged with bribery, money laundering and accepting kickbacks (Olivares 2013).

One problem with the accreditation process is that the Chilean academic community is very small, making peer review difficult. Nevertheless, the country is trying to do better for its universities in this respect (Lemaitre 2015, 320-332). It also is trying to establish a stronger global presence by participating in international accreditation activities and aligning university programs with those of other countries (Matus 2015, 464).

Academic quality is at the heart of the higher education debate in Chile (Lemaitre 2015, 340). This is one reason why interest in rankings is increasing (Reyes & Rosso 2012; Brunner 2013; María Verónica Santelices, Galleguillos & Catalán Avendaño 2015, 603-606). Most of the research produced in Chile comes from the top five institutions of higher learning, all of them traditional universities, including the University of Chile and the Catholic University of Chile, which together produce 50% of the country's scholarly publications. Very few of the new private universities have significant research activities (Bernabé Santelices 2015, 435; Bernasconi 2008, 203).

Chile has a small but active intellectual community that enjoys strong ties to industry and is well connected internationally, but its investment in research and development, 0.6% of its gross domestic product, is quite low compared to that of countries such as Argentina and Brazil (Bernasconi 2007, 255). The number of researchers per capita is also low (Bernabé Santelices 2015, 426). Despite these challenges, Chilean research is of good quality, by Latin American standards (OECD 2009, 205; Bernasconi 2007; Brunner 2015, 52-53).

Chileans are aware of the need for a medium-to-long-range plan for science and technology, as well as for greater investment in research and development, stronger doctoral programs, more faculty members with Ph.D.s employed full-time time, and more incentives for scholarly productivity (Bernabé Santelices 2015, 431; Olivares 2013; Berríos 2015, 355-365). They also are cognizant of the need to focus on the quality of teaching, since the country now has a much larger and more diverse college student body than ever, including many first generation college students, whose specific needs must be met (Carlos González 2015, 375-379).

President Bachelet's Proposal for Free Tuition

The government of President Bachelet is attempting to address the concerns expressed by one of the most important student movements in recent world history, an episode which brought higher education to the forefront of the nation's political concerns. In addition to increasing academic quality, Bachelet has proposed increasing access to universities for all social classes and eliminating tuition fees and profit from higher education. Her plans include strengthening public universities and creating new ones for the first time in decades (Bernasconi 2015, 275). These proposals are a direct response to student demands, which the government is taking up point by point (Fernández Darraz 2015, 183-187). The most difficult issue is the promise to gradually make higher education free, beginning in 2016. It is not clear how this proposal can be implemented, either in terms of the financial resources required for such a change or of its logistics (Paredes 2015, 253-254). Chile needs a master plan for higher education.

We know that having a well-thought-out strategy results in greater quality in higher education (Pedraja-Rejas & Rodríguez Ponce 2014, 701; 2015, 485). One of the main problems affecting universities in Chile is the lack of an overarching plan for these institutions, which, whether traditional or new, have been guided primarily by market concerns (OECD 2013, 14; Riveros Cornejo 2013, 196; Lemaitre 2015, 336; Bernasconi 2015, 274; Guzmán-Valenzuela 2013; Guzmán-Valenzuela & Barnett 2015). There has never been a strong enough political consensus to change the Pinochet era's market system. The system's flaws are obvious: low academic quality at too many universities, significant redundancies and increased atomization (Bernasconi 2015, 274).

Chile's higher education system has real weaknesses, and it is the failure to deal with them that led to the student protests (OECD 2013, 11). Whatever the general merits of the theory that the market is wise and can regulate itself, it has no place in higher education, a field in which consumers are uniquely unqualified to assess value (Riveros Cornejo 2013, 161; Figueroa 2013, 166; Lemaitre 2015, 307). Privatizing higher education increased quantity at the expense of quality. By educating large numbers of students in a deficient manner, the system created the seeds of its own destruction, as these people, unable to land the kinds of jobs they had been led to believe awaited them at the end of their studies, realized they had been duped.

The recent Chilean student protests can be seen as revolts against a perception of academic consumer fraud. This is true not only of the students at the new private universities, who are the most obvious victims of the privatization process, but also of those at the traditional universities, which are all very expensive. The students have asked to have a greater say in the administration of higher education. As a response to these sentiments, some public universities are considering changing their governance systems to take the opinions of the students into account (Bernasconi 2015, 289). There is an increased level of awareness about students' concerns at all levels. The country's leadership is finally beginning to realize the importance of assuring that the students' intellectual and financial needs are addressed in an appropriate manner, not only for the good of the students but also for that of the nation. In a knowledge-based economy, access to the highest levels of learning is paramount. This is the issue the Chilean student movement impressed upon the national consciousness.

Rising Public Tuition Costs in the US

This is also an issue of increasing importance in the United States, where significant student protests have taken place as well. In fact, shortly after the economic debacle of 2008 resulted in budget cuts for public universities and tuition increases for students, there were several protests against privatization at the University of California. After the 2009 demonstrations at UC Berkeley and other campuses, and as part of a larger "Occupy Movement" regarding growing inequality and the excesses of Wall Street, protests peaked in 2011. Rising tuition costs at public universities was one element in these protests. The harsh methods used by the administration and the police to repress them were similar to those used by the Chilean authorities.

Perhaps the most famous of these episodes was the UC Davis pepper spray incident of November 18, 2011, when a peaceful demonstration by students sitting with their arms linked was disbanded by means of pepper spray. The video of a police officer methodically spraying the faces of one student after another at a very close range went viral and caused much political discomfort for campus leaders over the following months. Nevertheless, they continued to privatize the campus rapidly, moving to a new budget model favoring entrepreneurship and admitting increased numbers of international students paying very high tuition, in order to increase revenues.

The UC Davis administration is far from the only one to take this approach. In fact, the leaders of all other University of California campuses have gone down the privatization path in one way or another. Large research universities require large amounts of money, and, when public funds are scarce, other sources of support are pursued. This is not only true of the University of California system but of all public research universities around the country, which at this point are acting in ways that are almost indistinguishable from private institutions (Cristina González 2011, 74-78 & 225-232).

While the privatization of public research universities continues unabated, President Obama is focusing on two areas where he seems to think he can make a difference: increasing access to community colleges and decreasing support for for-profit colleges. This policy has the potential to shrink the privatization behemoth from the outside in. By contrast, in Chile, which is a much smaller country with a more heavily privatized higher education sector and stronger social pressure to change the system, President Bachelet has promised to gradually eliminate tuition charges at all universities, a pledge that has been understood to mean all traditional universities, that is, all members of the CRUCH, but not the new private universities that were established during and after the Pinochet era, although exceptions might be made for some of these if they meet certain requirements.

It will be interesting to see how things unfold in both countries. We believe that neither will succeed without careful planning involving key higher education experts and without an unwavering commitment from key political players. The magnitude of the changes that are needed will require all the stars to be aligned. But if inequality and its discontents continue to increase, they soon might be.

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