ECONOMICAL RESTRICTIONS AND THE DECISION TO UNDERTAKE TECHNICAL OR PROFESSIONAL HIGHER EDUCATION STUDIES

ABSTRACT
Countries are increasingly resorting to mixed financing or private funding in higher education due to the massive growth of education and the hope of having its benefits internalized, particularly by students. The authors link between different sources of information to analyze how—and to what extent—the profitability of higher education, students' liquidity restrictions and the limitations of the capacity of study programs affect young people who have completed their high school education, in terms of their decision to continue on to higher education, either by choosing university-track study programs or technical studies. The authors find that, although individual decisions take the profitability of higher education into account and access to education shows a connection with meritocracy, liquidity restrictions help to maintain Chile's characteristic inequality. This is reinforced by the fact that young people with high academic performance do not apply for scholarships and loans, possibly due to asymmetries in access to information. The authors suggest that the effectiveness of student aids and their allocation should be studied in greater detail.

Key words: decision, higher education

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