



Lessons learned from the review of the Bío Bío Region (Chile)

Preliminary findings of the
OECD/WorldBank review team

OECD/IMHE Roundtable
Paris 10 September 2009

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Considerable progress

- EDUCATION
increase in widening access
and HE enrolment
- ECONOMIC DEVELOPMENT
- REDUCTION IN POVERTY
In 1990 40% lived in poverty;
in 2006: 13.7%

But challenges remain

- Low R&D intensity, low HE
education rates and low PISA
results
- Lack of productive
diversification; productivity
gap btw Chile and the OECD
- High income inequalities



HE trends in Chile

- Tremendous increase in HE education enrolment
- Success in widening access: Surge for 2 lowest income quintiles (x5 in one generation)
- Diversity: new HEIs and a group of privileged unis (CRUCH)
- Increased but complicated student support systems

BUT

- HE attainment (% of graduates) below OECD average (18% versus 32% 2006)
- Secondary schooling system (private, private subsidised, municipal) produces different learning outcomes (PSU)



HE trends in the Bío Bío Region

- Population share with higher education:
13% in 1992, 21% in 2002
- Widening access - Students entering system in 2008:
3.2% 1st quintile, 25.8% 2nd, 18.1 3rd.

BUT

- high drop-out rates: over 50% after 2 years
- graduates leave the region: brain drain
2006: 4500 (Universities, IPs and CFTs).
- lack of jobs, lower wage levels, possible mismatch of supply and demand, lack of entrepreneurial skills



R&D and innovation in the Bío Bío Region

- Some world-class research in fields relevant for the region (agriculture, wood, fisheries, medicine, environment)
- the second region in the country for R&D on basis of funding, number of researchers, publications
- Limited support to entrepreneurship + new businesses: incubators at early stages
- Weak HEI-firm linkages: results of R&D and innovation dissemination do not reach SMEs (80% of jobs in the region)
- Limited spill-overs from bigger firms: lack of supply chains



Regional economy and assets

- Industrial manufacturing: 35% of regional GDP
 - Steel, new venues (Advanced Polymer Centre)
- Fishing: <20% of sector in Chile but sector in crisis. Aquaculture potential
- Agriculture: promising quality export developments (wine, berries)
- Forestry: Biggest share of planted forest land in Chile. A highly concentrated wood industry (pulp, cellulose, basic wood products), potential for more added-value
- Tourism: skiing, thermal, ethnic (Mapuche)



Regional development goals

- Higher education, science and technology: top priorities of Regional Development Strategy. Pole of Higher Learning and Research
- Agenda of Regional Innovation and Development Agency 2008-2012 includes 3 PMCs (Agriculture, Business Tourism, Education, Science and Technology)
- Bío Bío educates and innovates “Bio Bio Educando y Innovando”
- HEIs at centre of growth strategies

What is the situation?

What is expected?



HEIs' impact on regional development

Increase in regional HE enrolment, territorial spread of institutions (but concentration in Concepcion) and strong position in R&D in Chile put HEIs at centre of regional and economic development strategies, but stronger impact requires:

- Increased co-operation between HEIs
- Increased links between HEIs and firms (SMEs)
- Adjustment of educational output to job market: move towards demand led provision
- Better knowledge of the region: studies and research in social sciences (factors of poverty and inequity)
- Using the region as a living laboratory for research and student's workbased learning

Decentralisation

- Chile remains highly centralised in spite of recent measures
 - Perception that decisions are always, in the end, taken in Santiago, shapes mindsets
 - Association with HEI involvement (CORBIOBIO) is pushing the decentralisation agenda
 - Decentralisation issues strongly affect the future of Bio Bio
 - Experience of OECD countries shows that increased decision-making power at all sub-national levels of government combined with adequate multilevel coordination mechanisms contribute to unleash territorial potential
 - Decentralisation: a continuous process
 - Bio Bio experience tends to highlight this: Innova Bio Bio and CORECYT: contribute to regional growth within the regional development strategy and the Agenda of ARIDP (leeway alongside national priorities)
- *integrated regional strategies, active participation of HEIs required*

Bío Bío Region: Rural issues

- the highest percentage of rural population (18%) in Chile
 - one of the poorest regions (20.7% beneath the poverty level versus 13.7% national average) in spite of remarkable progress made since beginning of 1990s.
 - Unemployment > average (11% 2009, up to 18% in rural)
 - Poverty has big incidence in rural areas that often register out migration to cities because of lack of job opportunities.
- *Focus on rural issues and rural economy required. HEIs participate in these efforts: Universities in Chillan, mostly IPs and CFTs elsewhere; research in agronomy, forestry*
- *More systematic and co-ordinated involvement in local projects (design, study, research, monitoring, evaluation) would help to disseminate best practices and knowledge transfer towards project carriers.*

Key lessons

- Knowledge is increasingly recognised as a strategic development factor
- Bio Bio possesses with its HEIs a diversified knowledge base that the region aims to strengthen.
- We are looking forward to contributing to these efforts by the findings and recommendations of the review.

THANK YOU FOR YOUR ATTENTION
GRACIAS POR SU ATENCION