

THE OPPENHEIMER REPORT

Mexico's financial rewards for students may have merit

The Miami Herald
Sep. 02, 2007

If you asked me what was the most significant news from Latin America last week, I would pick a little-noticed announcement by Mexico City's leftist government that it will give out millions of dollars in financial incentives to the elementary school students with the best grades.

The Mexico City government announced that it will give about \$300 a year in cash and savings' account deposits to about 100,000 public school students aged 4-12 whose grade averages are above nine on a scale from one to 10.

The funds will be aimed at getting these high performing students to attend after-school classes so that they can further develop their respective special talents, whether they are in math, science or sports, Mexico City Education Secretary Axel Didriksson told me in a telephone interview.

Before we get into whether this program will help propel Mexican children into the 21st Century knowledge economy or turn them into unabashed capitalists too early in life, let's look at the programs' details.

According to Didriksson, the best performing students who pursue after-hours courses in the fields of their choice will be given two sets of financial rewards: an estimated \$15 a month to cover transportation costs and nearly \$180 a year in a savings account that will be opened for each one of them in commercial banks.

"Part of it is to cover transportation costs and compensate for other costs the family may incur, and part of it is an incentive for children to stay in the program and to like it," Didriksson said.

The children will be given a debit card, which will be administered by their parents. The money will be deposited on a monthly basis, and parents will be able to withdraw it whenever they want, Didriksson said.

TUTORING PARENTS

Asked what the city will do to prevent parents from stealing their children's money or using it for their own pleasure, Didriksson said the city will provide "tutors" to help families administer the funds in the children's best interests. The program will start in November with classes one hour a week and will be expanded later to three hours, he said.

Is Mexico City's new program a good idea? In the United States and several other countries, financial incentives are sometimes used to keep poor-performing kids in school. But economic rewards for high achievers are rare.

Several U.S. and Mexican education experts have reservations about the Mexico City program.

Paz Cueto, a leading Mexican education expert, told me she fears that the program may end up being another political propaganda-driven give-away plan.

If the program has no follow-ups to make sure that families use the money for education, it will not help raise academic excellence, she said.

Isaac Prilleltensky, dean of the University of Miami's School of Education, told me that classes one hour a week "amounts to nothing." Rather than offering high performing children one hour a week courses after hours, it would be better to group them together during their regular school hours, as is done in many countries, so that they are not pulled backwards by low-performing classmates, he said.

WRONG CHILDREN

Walter Secada, a University of Miami professor of education, told me the program would be OK if it is used for financially struggling children who now have to work. But if most of its beneficiaries don't work, as is likely to be the case, the financial incentives may encourage children to take classes they don't really like and could drive them to make the wrong career choices.

"You are in effect telling children that any kind of academic work requires external rewards," Secada said. "It's a very accepted capitalistic economic incentive, but I don't think it works: External rewards only help people perform in the short run, but internal motivations are long lasting. They lead to persistence and to actually build on themselves."

My opinion: Mexico City's financial incentives are a great idea, if anything else because they will help create something badly needed in Latin America -- a culture of competition for academic excellence.

Unlike in China, India and Eastern Europe, where school children are encouraged early on to excel academically, most Latin American education systems emphasize quantity over quality.

If this helps change the culture, it could have a far-reaching impact.