

## **The global education and the north american free trade agreement (NAFTA) : exploring the opportunities for international education**

*(La educación global y el tratado de libre comercio norteamericano (TLC): explorando  
las oportunidades para la educación internacional)*

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**Resumen.** Es importante que las universidades en México atiendan la importancia de Tratados Comerciales como el TLC y sea esta una verdadera oportunidad para vincular las empresas internacionales y las universidades para lograr que los egresados puedan tener acceso a un mejor y mas válida educación de calidad, y sobre todo que esta experiencia de la firma de tratados comerciales sea una experiencia compartida por los países firmantes en pro de la educación superior en cada uno de los países y sus respectivos graduados universitarios. Este artículo presenta algunas perspectivas y conclusiones de esta relación comerciales trilateral y su impacto en la educación superior y en la calidad de sus graduados.

**Palabras claves.** TLC, Educación Superior, graduados, mercado laboral

**Abstract.** The appreciation of the North America Free Trade Agreement (NAFTA) as a Economic Policy for countries like Mexico, United States and Canada, and its impact on the higher education in Mexico, has turn universities efforts as well as the Mexican companies, to adapt the new profile of both education and students in order to compete in a new economic environment, where it main impact is mostly on the Mexican side.

The aim of the presentation of this paper at the Pan Am International Week , is to show how the economic policies has an important impact in the country development and education, based in the American model, and could bring some experiences that could be capitalized by our American counterparts and take advantage form them, and also this paper includes the conclusions to be consider by universities and companies that may help reduce the gap between countries in both economic development and higher education in foreign countries.

**Key words.** NAFTA, higher education, graduates, labor market

### **Introduction**

The argument for the necessity of increasing educational investment is based on the fact that without updated education, there can be neither development nor competitiveness in face of the new conditions established by NAFTA.

Now before considering competitiveness, which only education can balance, we must begin from the inside perspective in order to later look to the outside. We cannot think about competitive equality of a global nature in competition with other countries while maintaining great internal disparity. This would only encourage a greater lack of equilibrium since competitiveness would only exist in a select group not corresponding exactly to what must be encouraged in order to achieve equilibrium.

A free trade agreement, generally speaking, does not mean the generation of employment for the majority of the population; due to the global trend, most countries seek to achieve their objectives at a reduced cost, which implies that only a small group will be benefited, according to the interests of the country demanding it. Economic redistribution implies a radical change in the education system, permitting the population and the country to diminish the imbalance in relations with the United States.

NAFTA, also offers through several organizations, special funding programs oriented to encourage mobility among students from different universities from the NAFTA countries, so we must have take advantage from this opportunities to study abroad and complement this called, profile of the future.

### **Basic education and the Free Trade Agreement**

Some sectors reckon that due to the reduction of public expenditures in education and the character of educational reforms, the new programs will increasingly serve a political function for the legitimization of the State, rather than improving the processes of teaching, learning and the transmission of knowledge, which day by day represent more of a challenge than an obligation, owing to the lack of resources.

In spite of the present difficulties with which the basic education system is being developed and the pessimistic, but above all realistic, omens as to whether the modernization of education will be able to confront them, this level is playing a priority role with respect to the intermediate and higher education levels, at least in the order of discourse of those in charge of national education policy, which, as we all know, are nothing more than the reflection of the clear opportunity implicit of lesser risk. Taking into account the background of economic integration, however, higher education reform has emphasized the role of this in technological development and the education and training of human resources.

Notwithstanding, it is the same cycle of selectivity, in which a special group will be the one which really is able to take advantage of these opportunities, a group which has reached this level and will always comprise a small percentage of the population. This will be the case until it is realized that foundations in education shape the future of intermediate and higher education, and that is where the greatest efforts must be concentrated. However, we are only thinking about the short term, with the ideal of competitiveness based on simple speculations.

### **Education and the Universities in Mexico**

The universities in Mexico, and fundamentally their education system in the higher education environment, are being transformed in an interesting manner, with the objective of archive the requirements of their respective business communities. And it is precisely now, in this present times of adaptation to free trade and the global economy, when the business community requires special attention from universities regarding the development of professionals. In contrast to the United States, we see that in our country, the

universities and business enterprises play a different role in terms of their connections to one another. Here is a following example:

In the United States, when a firm needs to update and apply the newest technology or management systems, turns to the university to learn those theories (an example of this is the fact that we often see technological, scientific and administrative advances revealed and patented by universities in the United States).

In Mexico, on the other hand, when the student finishes college and needs to have an employment, and mostly, to be updated in newest knowledge, the graduate has to turn to the corporations, because in Mexico, corporations are more updated than the universities. However, is there when it becomes evident to graduates the fact that they actually has not learned anything which can really be applied to business, and that is the place where the graduate will be updated on the latest knowledge. It is clear that graduate's entry into corporations and business is merely as an "apprentice".

Are corporations really the place where the graduate from universities actually learns? Currently, it is clearly evident that our labor market is highly competitive. The business community finds itself totally submerged in a territory previously unexplored by Mexico's micro, small and medium-size enterprises: international trade. As we have seen in class, international trade requires international education for both managers and graduate students and the NAFTA is an opportunity to explore the chances of international education.

Therefore, it all might requires support, assistance and orientation; and the university is the most viable medium for providing enterprises with highly trained executives and managers, who are capable of helping firms in the internationalization process of their business. And most important than succeed, is maintaining their participation in an aggressive trade environment, produce mainly by the presence in Mexico of so many multinationals firms who are ready to gain a good portion of the market.

The cases of Mexican businesses which have completely yielded to foreign companies are innumerable, especially in the area of food and services.

One interesting characteristic among this graduate's profile, is that in their professional and academic development, they should have two fundamental features:

- International profile, and
- Intense training customer orientation.

For the reason above, universities are most actively in the following activities:

- Include internationally-oriented courses in the curricula, both at the Bachelor's and Master's levels
- Encourage research activities in areas of international trade in Mexican, as well as in foreign enterprises, and

- Support international mobility and exchange programs for both students and professors using funds like COMEXUS ([www.comexus.org.mx](http://www.comexus.org.mx)), which are provided by NAFTA countries aiming this project.

Although, the situation has advanced more than expected; now it is not enough for the student only to take some international marketing or international economics courses to be considered ready to integrate into the workplace; rather, enterprises seek a student profile portraying someone who, during the educational process, has had the opportunity to go abroad and live the trade experiences of the multinational firms, consequently the elimination of the language barrier, which is one of the great barriers to international trade for Mexican managers and students.

Universities have been taking the task of reforming syllabus and programs according to academic models which offer the graduate, at both the Bachelor's and graduate levels, a new international profile just at the moment when the firm needs it most.

Universities now know that competence, attitudes and abilities called for are all characteristics referred to in the academic programs or models which coincide to something very fundamental: professionals capable of developing in global scenarios, possessing technical and methodological tools which support small and medium-size businesses as they make their integration into international trade.

Our experience in the updating of study programs, through which we have had the opportunity to participate with foreign universities, has brought me to the conclusion that there is not much difference between the study programs at foreign universities and those at domestic ones. The academic symmetry is very convincing in most cases. This observation provides a good point of departures.

The next step within this internationalization process in education consists of analyzing which characteristics firms are looking for.

According to studies regarding trends that can be recognized by the majority of firms, the following is the profile of managers in the immediate future:

1. The globalization phenomenon implies the development of a new manager, who becomes a leader with a great ability to learn, since he / she will confront unprecedented contextual situations. This demands the possession of well-established knowledge in diverse disciplines, such as: the contents of trade treaties among nations; international negotiating techniques; appreciation of the cultural geography of countries and financing techniques for operations, among others.

2. The fields of knowledge probably include: several languages, customs procedures, global marketing plans, logistical techniques and flexible production, all of which are oriented toward the so-called new technologies. These are fields of knowledge in which developing nations can have profitable opportunities for involvement.

3. In finances, they must learn to work with instruments; to operate with tax, civil and penal codes different from our own; to study ways of presenting financial statements in foreign currency; to deal with exchange rates in the presentation of price quotations, and in the long run, operations which have futures (the market of the future needs standardized products and production volumes based on norms in order to function adequately, a situation which is not very probable at the current time in Mexico).

4. In the area of personnel, changes involve the hiring of people who now also ask about the firm's activities, whether that which the firm really does is correct, or if more research in certain areas is needed; with knowledge and acceptance of different types of hiring by the firm, whether for fees or by integration onto the payroll (for example, there are at least twelve different forms of labor relations in Spain); incorporation of minority groups into organizations, and consequently, the creation of a new organizational culture, which should be channeled into collective objectives. Perhaps in the long run, personnel selection techniques need to be related more to the abilities, values and knowledge possessed by the candidate. Managers can also make innovations in the personnel control and evaluation mechanisms, leaving behind the existing mechanisms of retroactive nature, replacing them with other, a priori tools. Some companies seek candidates who, upon becoming employees, propose projects to be incorporated into the firms' activities. This provides an a priori control parameter with regard to personnel.

5. The future manager must be proficient in the use of computers, and above all, information systems. Managers must also know how to use multimedia equipment which combines image, sound and the transmission of information via computerized mechanisms. This idea arises out of the transformation observed in the world. Communications have turned the face of the earth into a great network, where information has acquired a fundamental role, and at the same time, this has allowed firms to hugely facilitate the internationalization of their business.

6. Finally, we must not lose sight of management training in service enterprises. If we observe the trends in the economy, there are more and more firms involved in this business sector. Other possible fields with a future are those related to energy substitutes (including their creation, development and management), biotechnology, the environment and ecology.

It is important to make it clear that, in addition to professional development in the fields of knowledge required by business communities, it is extremely necessary that educational centers emphasize that which is currently known as "integrated education" as a priority, precisely in the area of human values, since the fast-paced existence of an industrialized society involves a dehumanization process. This dehumanization is frequently found in the workplace, due to the sacrifices necessary concerning employees' family time, recreation, education and culture, in order to attain the optimal levels of quality and standardization which international markets demand as entry requirements.

For this reason, values formation is an indispensable part of the education of professionals. It is also necessary to mention that the establishment of so-called cooperation agreements between universities and companies, the business-classroom and workshop-school

arrangements, is the most effective instruments for realizing this union between firms and universities.

### **Perspectives and final remarks**

Some conclusions which can be drawn from all that has been presented today, and which at the same time, will permit the specification of several of the ideas expressed:

1. Mexico needs to reduce the proportion of illiteracy among the work force in the formal market.
2. The country needs to simultaneously raise the average level of education completed among members of the labor force, with the objective of reducing inequality with respect to other nations, but fundamentally to increase the indices of productivity.
3. The governmental and business sectors need to make large investments in education systems, science and technology, and not only in productive processes.
4. The university must attend to the literacy needs and the extension of education among the labor force, as a teaching activity, as well as a research and extension function.
5. The innovations and proposals formulated by study centers and the governmental sector, in relation to links with the NAFTA, must be preceded by careful research.
6. A national consultation should be held regarding the changes which must be proposed at universities in view of the NAFTA.
7. With regard to university relations, the Free Trade Agreement appears to have prevailed against a pragmatic tendency which postulates mechanical adaptations of universities to new conditions.
8. It is necessary to increase Mexico's capacity with regard to qualified human resources through specific programs, such as the strengthening of graduate education.
9. Experience in other areas can demonstrate, in view of today's situation in Mexico, that growth in a nation's economy must be supported fundamentally by qualified human resources, and this can only come about through constant, sustained policy possessing a perspective extending several years through gradual modifications.
10. Universities must define new academic tasks which allow support for the process of opening the national economy without hindering its basic functions.

In conclusion, I would like for us to always remember that universities must not only provide people with professions, but also with an education for life.

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