

The Oxl and APP Initiatives: new forms of privatizing and commodifying education in Peru

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Summary

In this article, I describe the consequences of the neoliberal policies that the Peruvian government has been implementing and that have resulted in the rapid privatization of the K-12 and post-secondary education systems to such an extent that now, the private sector prevails. With the implementation of the Public-Private Associations (APP) and Works for Taxes (OxI) initiatives, not only are private companies now involved in the development of school infrastructure, but they have actual control over school services, and the overall future of the sector.

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Our reality

The succession of neoliberal administrations has given continuity to neoliberal policies. As a result, free and high quality public education has been damaged. Nowadays, 50% of basic education and 80% of higher education (university-based or otherwise) have been privatized.

This has also been facilitated through the imposition of policies by the International Monetary Fund, which are contained in the book "Peru at the Threshold of a New Era". The text presents an alleged diagnosis of the Peruvian situation that only partially reflects reality and still makes recommendations for different sectors. And we say "alleged" because the book uses indicators that do not match reality, like the poverty reduction indexes (according to Cesar Hilderant, investigation

journalist) and others, which I will not dwell on since they are not the focus of this article.

As far as education is concerned, the diagnosis was biased towards implementing the IMF recommendations in Peru, which is what is now happening.

However, this infrastructure analysis has been used as a way to open the door to national and international private investors into the education sector. In 2014, the Ollanta Humala Administration, disregarding electoral promises and letting voters down, decided to consolidate the privatization of education. Using a private sector “movement” (originated by the former Education Minister himself, Jaime Saavedra), greater private engagement was encouraged and facilitated through the Public-Private Associations (APP) for the construction of school infrastructure and through the “Works for Taxes” policy (OxI).

As a consequence, the current and previous Administrations have abandoned the National Education Project (PEN) and its main objective of offering “Equal and High Quality Education”. The Ministry of Education is promoting the IMF policy of increasing working hours for teachers (40 teaching hours, everyone has been increased to 30) under the assumption that such an action will improve education on its own, but without providing the right set of conditions for it to function correctly (wage increases, new policies to match the current context, a national educational project, new curricula, school breakfasts and lunches, etc.). The sole intention of the government has been to set the stage for the Public-Private Partnerships and OxI. Thus, it has diluted public education in Peru by neglecting the objective of quality and equality, since only a small number of institutions have benefited.

More specifically, what the Ministry of Education has done is to create the legal standards and mechanisms for private capital to participate in the creation and maintenance of Educational Infrastructure (INFE) of a public nature through, the APP for investment and management projects of a greater scale and the (OxI) initiative in which a type of Income Tax “advance pay-

ment” is accepted in the form of infrastructure projects at lower amounts and terms.

Between February 2014 and January 2015, both private investment mechanisms were defined, in terms of their regulation and organization, through:

Legislative Decree N° 1012, approved on May 12, 2008, **Law N° 29230** passed on May 19 2008, **Law N° 30167** of March 1st 2014, **Supreme Decree N° 004**, May 30th 2014, **Law N° 30264** accepted on November 2014, **Supreme Decree N° 006-2015-EF**, of January 23 2015, **Supreme Decree N° 001**, January 30, 2015.

In order to allow private companies to participate, new school categories were created in Peru: JEC Educational Institutions (30 classroom hours a week), the COAR Schools (High Performance Schools), Emblematic Educational Institutions and at the bottom of the list now lie the Pedagogical Institutes.

The first selection criteria the government used for applying the APP was choosing the biggest schools of each region to either revamp them or use their space to construct new infrastructure. Those are now called the Emblematic Schools. Then there is the Full-Time Educational Institutions (JEC) where the IMF recommendations were implemented (30 hours). Finally, the High Performance Schools (COAR) were reserved for the elite students and they got new infrastructure in different regions.

The “supply” of these products by the government and Ministry of Education (terms used by them) is the following:

COAR Schools

13 COAR schools will be created in 3 groups in the Northern, Central and Southern areas.

Private investors will be in charge of building the infrastructure and they will be responsible for their management, staffing, food, health and laundry services, according to the standards.

JEC Schools

There are from 10 to 16 groups prepared for the capital of Peru, Lima, and for other 22 regions. But there are strict requirements to be chosen for investment. The



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schools ought to meet the following criteria::

Schools of over 1000 students that require more than a 50% construction of infrastructure (INFE). The land has to be cleared beforehand.

Since they need to protect their investment for the future (they will be managing the food and other services), they only focus on large-scale schools.

Post-Secondary Technological Institutes

The APP and OxI projects will be implemented in different places: 2 in Lima, 1 in Arequipa and 1 in Trujillo. Those are regions of high competitiveness, a large number of students, an emblematic character and a land that is ready for construction.

Brothers and sisters, for all of the previously mentioned reasons, we are concerned about the advance of neoliberal policies in the Peruvian education system;

especially now, with their intervention in infrastructure and their intention of further controlling the management of certain school-related services.

Conclusion

In Peru we are still the process of resisting neoliberalism, unlike countries like Ecuador, Bolivia, Uruguay, Argentina and Brazil where such policies have been discarded for quite some time now, We have not been able to stop it; on the contrary, it has worsened with the implementation of the APP and OxI initiatives, which are having serious consequences for our public education system.

The only thing that is left to do is keep on fighting through our union, SUTEP, and with other sectors to try and stop the privatization “progress” so as not to lose free and high quality education as a fundamental human right and as a government policy.

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