Review of Private Education and Public Policy in Latin America

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Review of *Private Education and Public Policy in Latin America*, Laurence Wolff, Juan Carlos Navarro and Pablo González (eds.), Washington, DC: Partnership for Educational Revitalization in the Americas (PREAL), 2005 (978-0-9772271-0-5, no price given).

This volume, an English revision of a collection that appeared in 2002 (*Educación privada y politica pública*, with the same editors and many of the same contributions), is a hard-copy version of material that is also meant to be available freely on-line.¹

Most of its content is devoted to case studies of six Latin American countries (Argentina, Chile, Columbia, Guatemala, Peru, and Venezuela – it omits the chapter on Brazil in the 2002 version)² that will be of interest to those familiar with educational provision in those countries. The focus of the case studies and of the whole book is on the ways the private sector, or perhaps better the non-governmental sector, can be used to enhance educational opportunity, especially at the primary and secondary levels, although, as Wolff notes (p. 249), the region's private sector is strongest at the post-secondary level. The case studies reveal factors that permit public authorities to get cost-efficient and effective education from independent providers (in Bogotá, for instance, concessionaires "must score higher than average on academic tests; under no circumstances can they have below-average results for two consecutive years" (p. 114) and cannot charge parents more than they would pay in the ordinary public sector) and other constellations of factors that work to negate any such benefits. For readers of this journal, however, there is virtually nothing that mentions the possible role of ICT in supporting such provision or increasing access and efficiency.

The interest is rather in the general policy position espoused by the editors which they present in terms of 'principal-agent' analysis. Navarro summarises this analysis thus:

The idea underlying the case studies is that there is a series of interrelated contracts that create incentives for those participating in the institutions which can influence their practices. On occasion, such practices can serve socially beneficial objectives; sometimes, however, they cause distortions in conduct and resource allocation which worsen the general outcome of school operations. In particular, the contracts within organizations can be analyzed as a process of interaction between a principal and an agent; and the institutional problem can be described in terms of how to make the agent act in a way that is consistent with the principal's goals. (pp. 237-8)

It addresses the standard problem of bureaucracies and institutions, that they easily acquire interests in their own perpetuation that have little or nothing to do with the goals for which they were created. We want children to be made literate and numerate; we set up schools for that purpose; but we then divorce the hiring and firing of teachers or principals from the attainment of literacy and numeracy by their pupils. And we wonder why schools fail so often to do what they were intended to do. The principal-agent approach enjoins us to so construct matters that achieving the principal's goals is directly in the interests of the agent, while failing to achieve them is clearly not in the agent's interest. This requires, among other things, that both sides share an understanding of when the goals have been achieved and when they haven't, and a way of recognising what has actually happened.³

Wolff sees a central aim of the collection to be a refocusing of debate about private provision, from a politically loaded argument about the rights and wrongs of free enterprise in the provision of public goods to a concern for efficiency and accountability on the part of both public and private providers. Despite many gaps and deficiencies, the data in the case studies are intended to show that "private education, especially when run by nongovernmental organizations and religiously affiliated groups, is at least as effective as public education, can often reach the poor and underprivileged, and is frequently less costly than public education serving a similar clientele" (p. 247). If it does what we want, how can we continue to object to it on principle? The editors acknowledge some of the issues that might be urged against their refocusing: the prevalence of religious, in Latin America predominantly Catholic, agencies among the NGOs that seek to provide educational services might be cause for concern; as may the clearly less protected status of teachers and other workers in most of the private operations. The editors might well reply that both these concerns can be addressed, by the terms of the contract in the first case (the principal can specify what is to be taught and what is to be omitted), and by general and workable provisions against arbitrary dismissal in the other.

Navarro stresses the importance of details (p. 244) in the workings of public/private arrangements, details that have been constrained by the distinctive social and political histories of the countries concerned. One cannot then expect too many simple prescriptions from this work, but it does allow one to sense possibilities that are too often overlooked when one unthinkingly assumes that public goods must be provided by public agencies.

Endnotes

- The online version is supposed to be available freely at: http://www.preal.cl/Archivos/Bajar.asp?Carpeta=Preal%20Publicaciones\Libros&Archivo=Priv ateeduc&publicpolicyinLA.pdf but the file was not on the server when checked on the 30th June, on the 17th July, and finally on 24th July 2006. Emails to the contact given on the website and to the persons listed on the letter accompanying the book have failed to elicit a response.
- The complete contents are as follows:
 - "Introduction" by Laurence Wolf and Juan Carlos Navarro;
 - "Public or Private Education in Latin America?: Asking the Wrong Question", by Laurence Wolf and Claudio de Moura Castro:
 - "Private Education: Funding and (De)Regulation in Argentina", by Alejandro Morduchowicz;
 - "Private Schools with Public Financing in Chile", by Claudia Peirano and Jaime Vargas;
 - "Concessionary Public Schools in Bogotá: An Innovation in School Management in Colombia", by Leonardo Villa and Jesús Duarte;
 - "The Present and Future of Private Education in Guatemala", by Jorge Lavarreda, Vilma de Liú, and Manuel Menjívar;
- The general idea recurs throughout the book, but there are sections in which it is explicitly invoked in the chapters on Chile, pp. 83-86, on Columbia, pp. 100-107, and on Venezuela, pp. 207-211. The 2002 Spanish version had an entire chapter, by Jaime Vargas, on the general principal-agent analysis. There is an on-line World Bank Working Paper by Paul Simon, *Accountability in public services: exit, voice and capture*, that presents closely related ideas. One way to see how radical it is might be to ask what would have to happen to bring one's own practices into line. At my university, lecturers are asked to explain why more than

25% of a class has failed, but there is no question of sanctions on the lecturer or department; since there is no external check on grades any such sanction would immediately lead to grade inflation. To take meeting intersubjectively agreed standards seriously would then require radical change to our examination process, besides genuine concern for pedagogy.

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