

# **THE UNGOVERNED EDUCATION MARKET AND THE DEEPENING OF SOCIOECONOMIC SCHOOL SEGREGATION IN PERÚ**

María Balarin, PhD & Aurora Escudero, BA

[mbalarin@grade.org.pe](mailto:mbalarin@grade.org.pe)

Group for the Analysis of Development (GRADE), Perú

CIES Mexico – March 2018

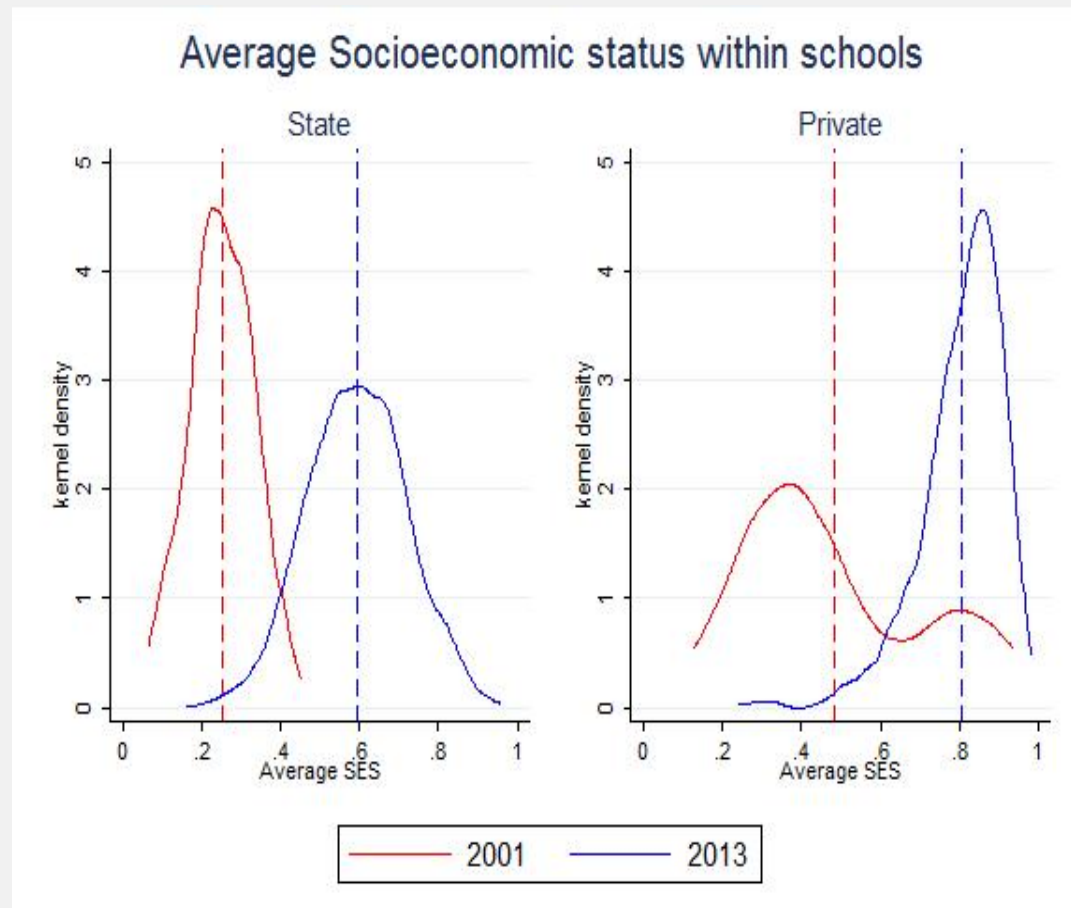
## PERSPECTIVE

- Interest in **the relation between educational markets and school segregation**: families decisions are not necessarily based on quality considerations; decoding educational quality is difficult; markets incentivize selection by schools; and the positional competition between families in which those with more economical and cultural resources tend to win (Lauder 1999, Gorard, 1999, 2002).
- Considering **how segregation trends deepen in the context of weak states with precarious institutions and poor regulatory capacities** (like Peru)
- **Considering the effects of school segregation not only from a social justice perspective** (citizenship, social cohesion); but also in terms of **educational quality and effectiveness** (results, spending)
- Analyzing the **effects of segregation through the lens of school composition**: which affects results, not directly, but through its impact on all aspects of school organization (instruction, administration, expectations, climate, etc.) (Thrupp, Lauder, and Robinson 2002)
- **Segregation homogenizes schools' social composition** and has **particularly negative impacts on children from vulnerable backgrounds** located in schools with equally vulnerable peers (Willms 2004, Benito et al, 2014)

## BETWEEN SCHOOL SEGREGATION IN PERU

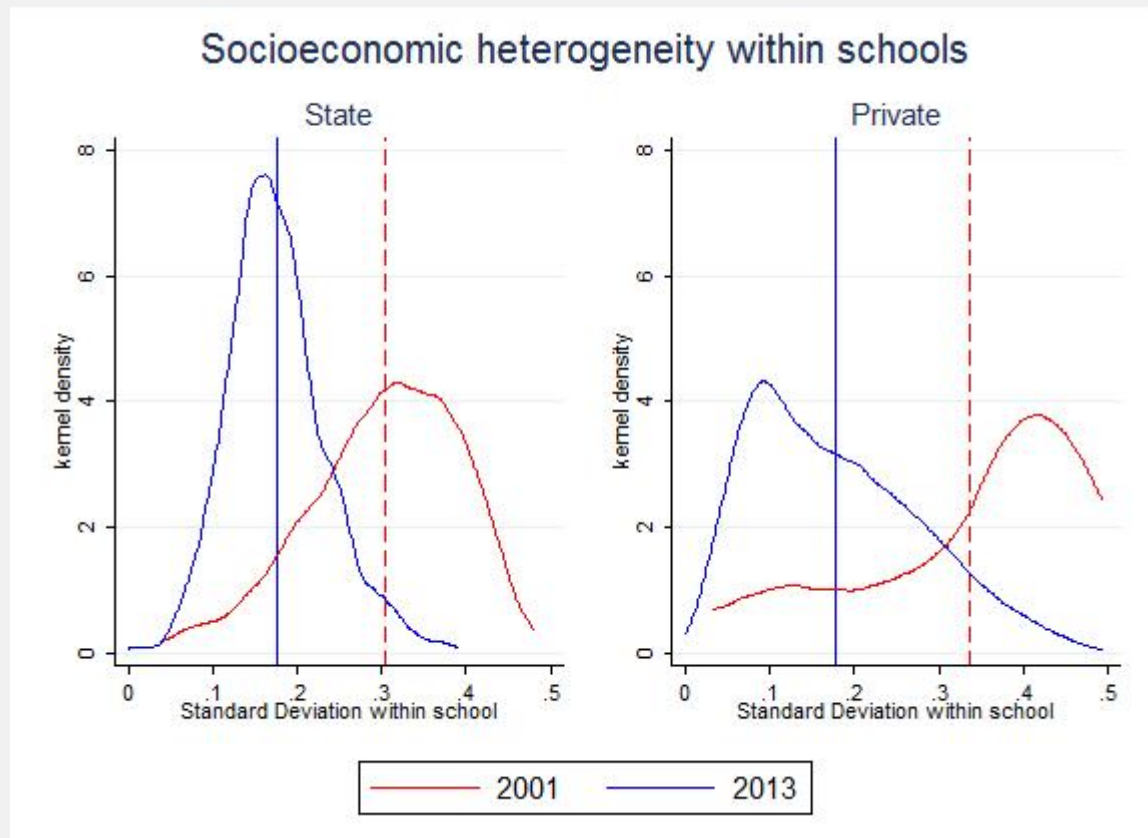
- Caveat: **scarce data** have complicated fine analyses of school SES segregation
- Comparative analyses based on PISA results had already shown that **Peru has the deepest achievement gap of all participating countries in Latin America** (Benavides, León, Etesse 2014; Rivas 2015)
- Against the regional current, **Perú is the only country in the region in which the achievement gap has deepened since 2001** (when the achievement gap was actually lower to that of Chile, Brazil, Argentina and Mexico)

# BETWEEN SCHOOL SEGREGATION IN PERU



- **Noticeable improvement in the average SES** of schools between 2001 and 2013 (the vertical lines that cut through the curves moved to the right), and a **reduction in the number of schools with extremely poor social compositions**.
- In 2001, the private education market catered mainly for high and middle SES levels. By 2013 **the SES composition of private schools had become more homogeneous**, showing that private schools are now mostly composed of students who are above the SES average.

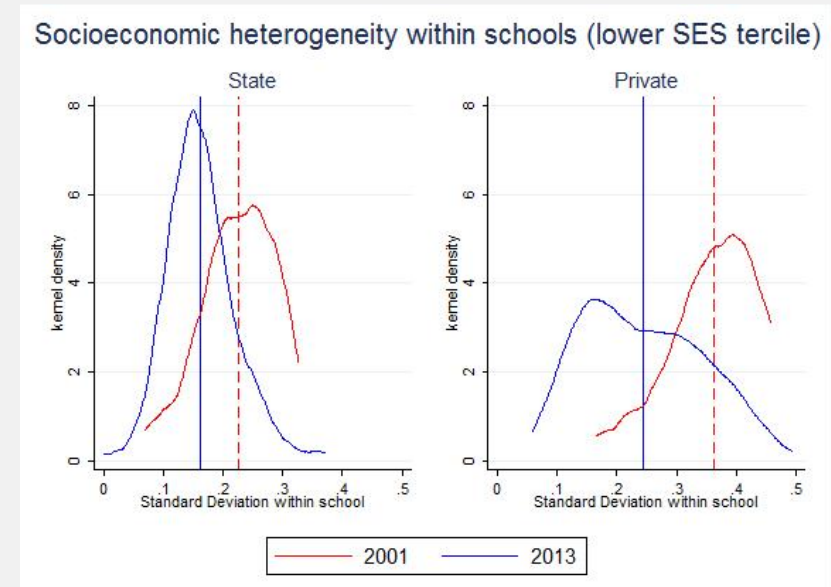
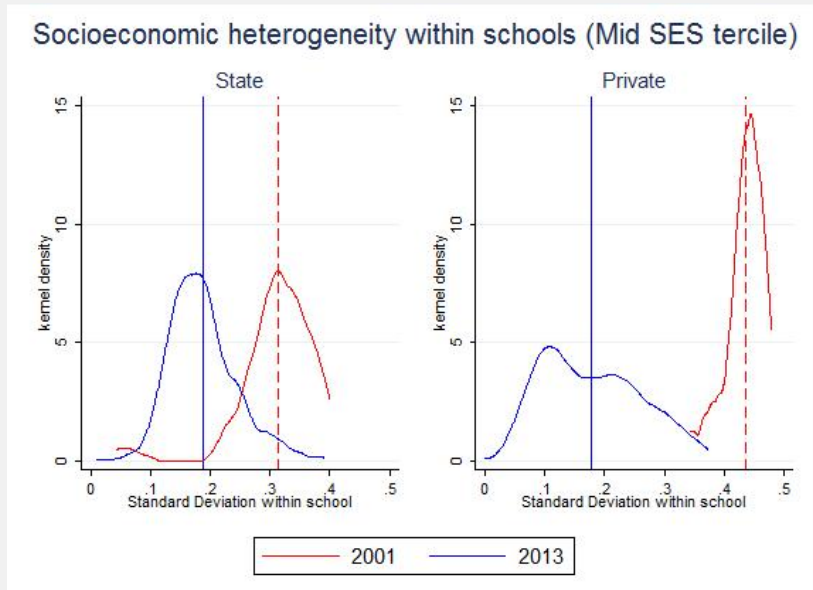
# BETWEEN SCHOOL SEGREGATION IN PERU



- Between 2001 and 2013 the social composition of schools in both the private and the state-run sector became more homogeneous within and more dissimilar between them  
(the vertical lines that cut through the curves and show schools' standard deviation from the average school SES level moved to the left)
- The process of internal homogenization and between school dissimilarity is higher in private schools.

# SEGREGATION AND STRATIFICATION IN STATE AND PRIVATE SCHOOLS

WHILE WITHIN SCHOOL SES HOMOGENEITY IS HIGH IN BOTH THE STATE AND THE PRIVATE SCHOOL SECTORS, STRATIFICATION WITHIN THE PRIVATE EDUCATION SECTOR IS MUCH MORE MARKED



WHILE IN 2001 PRIVATE SCHOOLS IN THE MIDDLE TERCILE HAD A HIGHLY DIVERSE COMPOSITION – THAT IS, THEIR INTAKE CONSISTED OF STUDENTS FROM DIFFERENT SES BACKGROUNDS – BY 2013 THE SITUATION HAD RADICALLY CHANGED.

THE HOMOGENIZATION PROCESS IN THE MID-SES TERCILE OF SCHOOLS WAS SO ABRUPT THAT IN 2013 THERE WERE NO PRIVATE SCHOOLS IN THE MIDDLE TERCILE WITH AN SES COMPOSITION AS DIVERSE AS THAT OF THE SAME TYPE OF SCHOOLS IN 2001.

## GROWING SCHOOL SEGREGATION

- This has been so – paradoxically – in spite of the fact that **during this period Perú has shown important improvements** in terms of: income distribution, poverty reduction, and improvements in educational coverage, spending and achievement.
- In 2009, Perú's social configuration (e.g GINI coefficient) was, on average, less unequal than that of other countries in the region; but the educational system had become more unequal.
- During the 2000s **residential segregation has remained more or less stable** (Herrera 2017)
- **How can this be explained?**

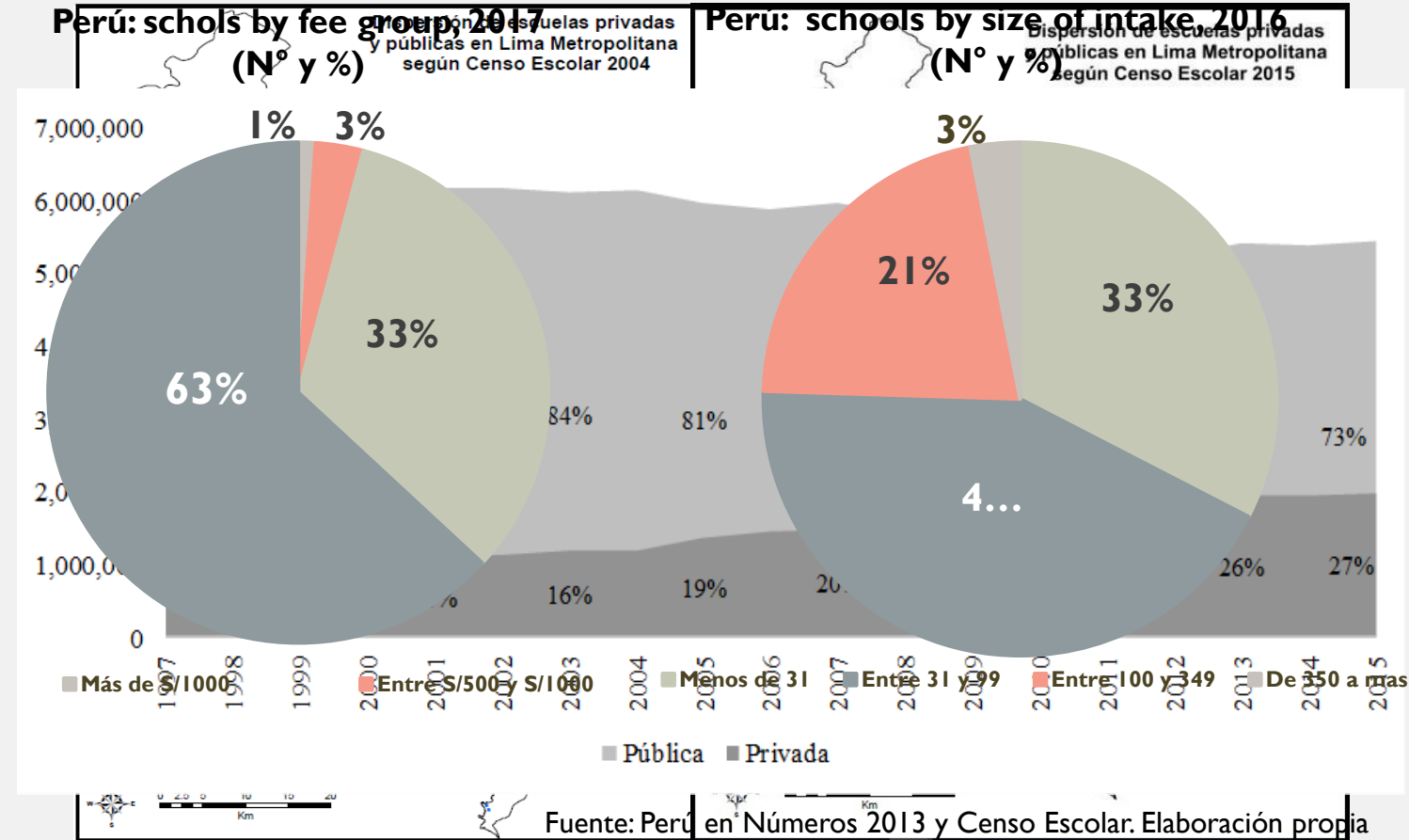
# THE EFFECTS OF A DEREGULATED MARKET ON EDUCATIONAL SEGREGATION

- Perú: no policies to introduce market mechanisms in public education and with some exceptions, there are as yet no PPPs – there were some attempts at the former in the early 90s but they were strongly opposed and abandoned.
- In 1996 the government of Alberto **Fujimori** passed the 882 Legal Decree that seeks to **Promote Private Investment in Education through deregulation and tax exemptions**, but without any state subsidies – then the state turned its back.
- A **massive growth in the supply and demand for private education** services ensued – what in the literature is known as a process of **default privatization**, an emergent process that takes place largely **from the bottom up** (but with the deregulatory help of the state) as families start to believe that the education provided, administered and funded by the state is failing their children (Walford 2013)
- The growth of private education is **not only explained by incentives to private investment**, but also through the progressive development of a **common sense according to which ‘private is always better than public’**; and where **‘entrepreneurial citizens’ consider they do not need the state to provide them with quality public services.**



## RECENT TRENDS IN THE SUPPLY AND DEMAND FOR PRIVATE EDUCATION

- Since the 882 decree was passed the private education market has doubled and now accounts for 27% of enrollments in basic education
- **Private education is an urban phenomenon:** in cities like Lima, private education enrollments have grown exponentially, reaching almost 50% of all enrollments.
- Much of this **growth is in peripheral areas** where the supply of public education has not grown in proportion to demand
- A highly **heterogeneous private market**, composed mostly (73%) of low fee private schools, with very small intakes (less than 99 pupils); and with **very heterogeneous results in national assessments**



Fuente: Censo Escolar 2004 y 2015. **Elaboración propia**

# EDUCATIONAL CHOICE IN AN UNGOVERNED MARKET

- The **deepening of school SES segregation and stratification** in both the state and the private school sectors **is not explained by residential segregation** – which has remained large stable during the studied period (Herrera 2014, 2017) – but rather by the **widespread and ungoverned mechanisms of school choice**.
- **Peru is an anomaly when it comes to educational choice**
- While explicit school choice policies have not been implemented, **the logic of choice is well established throughout the education system**
- **Parents can choose “freely”** between public schools, and between a wide array of private schools – those with greater cultural and economic capital, who can afford fees, the cost of transport and voluntary contributions to schools, and who have better knowledge of the market, have a greater *freedom* of choice.
- If the cost of settling in another neighbourhood is too high for many of the country’s urban residents, the cost of sending one’s child to a public school in a different area or of choosing a private school is much more affordable.
- And the system encourages it: there are **no catchment areas** and **existing norms do not place clear constraints on schools admissions policies**: oversubscribed schools can choose on the basis of very open criteria

## EDUCATIONAL CHOICE IN AN UNGOVERNED MARKET

- **Educational choice has become established not through intentional education policies** but rather as a consequence of a long history of deterioration of public education, especially during the 1980s
- ‘Voluntary contributions’ by families became well established in state schools (Saavedra & Suarez 2001) and mediate families possibilities of entering an oversubscribed state school
- The growth of the private education market has contributed to the naturalization of (self-funded) choice as a natural right of families

## RESPONDING TO SCHOOL SES SEGREGATION

- **An extreme and weakly governed market** – where choice is not backed by public funding and regulations are weak - makes controlling the trend towards segregation and stratification very difficult
- The **deep rootedness of choice in a context with strong private interests** in which there is an aversion to the idea of the state meddling with education and where the generation of public debate on these matters is very difficult
- **Improving governance** is key, but...
- If **segregation is here to stay**: how do schools respond? (taking school contexts seriously in terms of investment, organization and pedagogy)