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Public-private partnerships in education: Ideological instruments for a continuum of private control over public goods

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List of Acronyms

IDB *Inter-American Development Bank*
NGO *Non-governmental organization*
OECD *Organization for Economic Cooperation and Development*
OLPE *Latin American Observatory of Educational Policies*
PPP *Public-private partnership*
UN *United Nations*
USAID *US Agency for International Cooperation*
WB *World Bank*

Foreword

In this document, the Regional Office of Education International Latin America uses several current Latin American examples to describe the way in which public-private partnerships (PPP) in education have become a platform from which international financial institutions, private business sectors, international cooperation organizations, religious groups and different multilateral actors gain access to decision-making on education policy in the countries of the region.

The publication provides key information on the role played by the United Nations and multilateral financial organizations such as the World Bank (WB), the Inter-American Development Bank (IDB) and the Organization for Economic Cooperation and Development (OECD) in legitimizing and promoting non-state groups as providers of educational services that are funded publicly or through cooperation efforts. The Incheon Declaration and the United Nations 2030 Agenda generated greater pressure for states to co-design, co-implement and co-finance education policy, placing an emphasis on the participation of the private sector by ceding part of their functions to non-state actors or even by absenting themselves from a set of education policy decisions.

In this paper, we analyze how PPPs are nourished by a neoliberal narrative of persistent criticism of the state and of the public sector, while benefiting these private entities by opening up opportunities for business in different sectors. In the particular case of education, PPPs assume the provision of many types of services, from teacher training, evaluation and curriculum design, to management and the administration of educational institutions, among others.

In this way, the examples presented in this publication argue that PPPs are promoted to act as tools for the neoliberal model and end up obscuring the role of the state by imposing an educational model governed by the rules of the market, and that promotes private profit at the expense of the right to public education.

We invite you to read this publication carefully and to take this information into account when defining a political-trade union strategy that proposes and defends the strengthening of public education financed by the state and that detains the advance of public-private partnership models that further weaken the public education system in favor of the commercialization of education.

Combertty Rodríguez García
Principal Regional Coordinator
Education International Latin America

Introducción

On this occasion, the OLPE presents this study on public-private partnerships in education. Although this topic is one of the initiatives most enthusiastically promoted by neoliberalism in recent times, it has been subject to little critical inquiry. The insertion of private business, through NGOs and the foundations they finance, appears as part of a strategy developed by the business sector to penetrate into the public sphere and in particular, into the field of education.

When the dominant discourse speaks of the need to open the doors for the participation of civil society, in general it is attempting to naturalize the presence of these NGOs and the business sector. This phenomenon refers to the coordinated strategy occurring since the 1990s and, with more intensity, from the beginning of this millennium, of private groups and large business conglomerates to capture resources from the educational budgets and the fiscal allocations that governments in the region have designated for public education. This strategy to capture public resources and put them at the service of for-profit companies through public-private partnerships represents a relatively new way to use fiscal budgets designated for education to promote commercial activities related to different aspects of the education sector.

The discourse meant to justify this type of operation, referred to by neoliberals as the search for "business niches" by private capital, seeks to support itself on arguments related to efficiency, the optimization of resources, and even the supposed suitability of these partnerships to prevent the corruption that these sectors invariably attribute to activities undertaken exclusively by the public sector. The approach taken in this work reveals the different myths with which the neoliberal narrative seeks to legitimize these partnerships, trying to claim governments implementing such alliances represents modernizing progress. This is an essential contribution because it sheds light on an issue that often falls outside the focus of attention of those of us who fight and militate to defend public education.

In general, our efforts are consumed by defending against budget cuts and denouncing the adjustments ordered by international financial organizations and institutions such as the IMF and the World Bank. We rarely talk about how, in parallel with the cuts that damage the functioning of our educational systems, there is a subtle operation underway to capture those resources to put them at the service of business groups who are neither acting philanthropically, nor out of the desire to optimize educational systems, but rather, simply in search of opportunities for high-profit businesses such as educational evaluation systems, teacher training programs, the provision of computer services, reading programs, and others.

For the business sector, these partnerships represent a vehicle to capture resources from public budgets. One of these major business niches is the service of standardized assessment tests at an international level. As revealed by Education International's campaign to denounce the progress of the commercialization of education, behind this lies one of the main business lines of a multinational from the United Kingdom, the Pearson company, whose activities based on standardized assessments, known as PISA tests, were allowed to spread practically across all continents. As discussed in a prior study made by the OLPE, it is clear that this type of policy gains legitimacy through international governing bodies. In fact, the OECD, the World Bank, the IDB and other institutions that act on a global level are expressions of a kind of supra-government that encourages the implementation of this type of partnership.

Before this type of incursion to seek educational budgets was proposed, these partnerships were already taking place in the field of great works of infrastructure, in which the scientific and technical dependence of Latin American countries made this type of partnership inevitable. This includes areas such as the nuclear industry and energy production, whether from oil or other activities that would be impossible without private sector tendering. Of course, such companies always seek profitability and the dividends generated by the scientific and technological dependence of our states. However, in the case of the education system there is absolutely no justification for such partnerships, nor any basis for these other than the voracity of private companies in their search for new markets.

This report is a documented contribution that rigorously investigates, using objective data, a subject that is often hidden, or else shown to the eyes of the population as part of modern practice typically recommended by international agencies to improve efficiency in the functioning of public institutions in peripheral countries. Analysis of this process of penetration into public institutions is increasingly important at a time when, after the pandemic, the proliferation of programs to digitalize educational systems and to implement initiatives related to the use of virtual platforms – that for years had been undertaken almost exclusively within higher educational institutions – has now been extended to the educational system as a whole. That is why it is necessary to put these types of policies under the magnifying glass and denounce them as part of the fiction international institutions promoted by the global government use in their attempt to legitimize their search to capture public resources and place these at the service of the private sector. It is part of the paradox of our times that, on the one hand, neoliberalism promotes the cutting of budgets, while also fomenting the capture of a very significant volume of these resources for the private business market.

We welcome this report, its thoroughness, its objectivity and, above all, its critical capacity to see through a subtle veil of lies that seeks to show these partnerships as representing the virtuous path through which governments can find a friendly partner in the market to improve the opportunities to access education for our children and youth.

Hugo Yasky

President of the Regional Committee

Education International Latin America

Public-private partnerships in education: Ideological instruments for a continuum of private control over public goods

+ Public-private partnerships do not seek efficiency in services, but rather generate a network of private bureaucracy that guarantees the presence of the private sector in public decisions.

+ Public-private partnerships are nourished by the neoliberal myth of the state as a failed actor and, based on that myth, they install private business networks using public funds.

Preface

Since 1990, there has been an incremental process in which the governments of Latin America govern by means of models drawing on public-private partnerships (PPPs) that open the possibility for private, business, and religious groups and international cooperation agencies to make decisions on educational policy.

The presence of NGOs and transnational companies in the education sector has become naturalized both in the management of educational institutions and in ongoing training processes within ministries of education. The private actors participating in these partnerships are usually companies that employ the structures of foundations or non-governmental organizations (NGOs) with the support of international cooperation entities, as well as private groups that have relationships with each other and that, in general, legitimize their ideas in forums and/or think tanks.

The legitimacy of these groups as providers and managers of services is usually based on attacking and discrediting public entities, persistently criticizing state institutions and/or the governments of the day. Those defending public-private partnerships argue that these provide better services to citizens in more efficient, agile and less expensive ways than state-managed ones.

Despite the above, in recent decades, it has been proven that PPPs require high investments to function through project management departments hiring interdisciplinary and consulting teams, and so on, thus defeating the argument of low costs and greater agility.

Defending the participation of private groups, transnational corporations and religious groups doing business with public money is more about the **neoliberal ideological stance** than it is about seeking efficiency in services. This **ideological stance** creates a new power dynamic to control state decisions and profit through private business networks, following a logic of incentives and competitiveness between private sector members while using public funds.

In this document, some of the main public-private partnerships in education are reviewed to demonstrate how this model transfers a power dynamic to public management, generating a continuum in the control of the private sector over decisions that impact on the majority, and involve the privatization of public resources. National education councils operate in ten of the countries studied by the OLPE. These bodies function as supra-legislative areas that define public educational policy, which often contradicts or harms that established in national education laws. Examination of these national education councils reveals the participation of private business sectors, international NGOs, religious groups selling educational services, and, on some occasions, trade union representatives.

OLPE studies undertaken between 2018 and 2022 demonstrated that eleven countries studied have at least eighty non-governmental organizations (NGOs) and religious groups involved in commercializing teacher training services and support materials. These services are either purchased by the State, other NGOs, or international cooperation actors. That is why this document on public-private partnerships (PPP) reviews instances of private sector financing that necessarily promote the establishment and maintenance of public-private partnership structures, so channeling funds and resources through foundations, NGOs, churches and other non-State actors.

The Latin American Observatory on Educational Policies (OLPE) considers that the World Bank, the IDB and, increasingly, the OECD, have played a central role in promoting, supporting and financing public-private partnerships in education. The IDB, the World Bank and the OECD, together with international philanthropy entities make up a global government legitimized in an inbred fashion, as almost natural actors in educational policy. It is important to continue to pay attention to reforms in public employment, the advancement and sophistication of public-private partnership models and the new loan conditions of the World Bank and the IDB to finance educational policy in our region, because these can further weaken the public educational system in favor of the commercialization of education

What are public-private partnerships?

Public-private partnerships (PPPs) are usually described in administrative terms rather than political ones, while ideology is almost never mentioned. However, public-private partnerships are of significant ideological content, with strong political implications. PPPs are formations that allow states to subcontract third-party services to undertake different activities. Although PPPs initially emerged to hold a powerful position in the field of infrastructure (roads, ports, hospitals, etc.), they have expanded to the field of public service management. From the perspective of the education sector and the trade union movement, the public-private partnerships (PPP) model can be described as a mechanism employed by all the governments in the region, either to design, execute or finance one or several phases of educational policy.

The Canadian Union of Public Employees describes public-private partnerships as a process in which the for-profit **private sector** involves itself in public projects, appropriating functions traditionally reserved for the public sector (CUPE, 1998). Public-private partnerships usually include a contract between a private party and a public institution or government body for activities that may combine infrastructure construction, design, financing, operation and the maintenance of works or tasks traditionally assigned to the state (CUPE, 1998).

Education International Latin America sees public-private partnerships as an expression of the neoliberal economic and political model, in which the for-profit private sector sells services to the state and receives public funds in order to replace the role of the state, by taking advantage of the conditions created by the model itself in which the state's ability to provide a service is weakened or interrupted.

As will be demonstrated in this document, many of the activities and services performed within public-private partnerships come to have higher costs than those that would have occurred had they been performed by public bodies, as these require double the administrative structure (a public one and a private one), double the management and decision-making processes (both public and private), while additionally, necessarily generating significant levels of profit for the private parties that are members of the partnership.

The functional myths and narratives of public-private partnerships

With regard to public education in the region, NGOs, companies, foundations and even religious entities are observed to provide services to ministries of education. As the OLPE has maintained, the processes of public-private partnerships are paid for with public funds, either from ordinary budgets or even from loans that condition states to hire private suppliers to execute said resources. These PPPs are sometimes also supported by international cooperation funds with the mandate to generate impact on the country's population and to finance activities performed by foundations and/or private groups that in turn will implement activities in the public education sector with the permission of the state.

Public-private partnerships in education are entrenched in a narrative that persistently attacks and devalues the public sector and its management capabilities, alleging its slowness in implementation due to the need to comply with procedures and processes. However, public-private partnerships in turn generate a series of ongoing business processes of negotiation, monitoring, and so forth, all with their respective costs.

Public-private partnerships allocate millions of dollars from the public sector and/or international cooperation funding to private groups, NGOs and religious groups every year, so that these provide services such as the management of educational institutions, the preparation of public policy documents and the provision of teacher training in different pedagogical contents and practices. Very clear examples have occurred in Colombia, in the case of concession schools; in Peru, where the United States Development Agency (USAID) has financed everything from reading programs in the Amazon to the design of the National Educational Plan; in Costa Rica, where teacher training in computer science and the provision of school services in computer science was subcontracted for several decades to the Omar Dengo Foundation; and finally, in Uruguay, where public financing has paid non-state entities for educational evaluation processes.

It is important to emphasize that the mechanism of public-private partnerships (PPPs) feeds into the discourse that the state does not work, is not efficient, does not manage public resources well, is not innovative and is not up-to-date with cutting-edge technology. Even so, public-private partnerships have been part of the dynamics of public policies for more than three decades; that is, they are responsible for the very public dynamic that they criticize. They are not only part of this, but they profit from these dynamics.

All the bad press against public management benefits those who want to boost private presence in the management of public policy. This bad press, however, is directed against the state and its institutions because private actors in PPPs have no responsibility towards citizenship, nor are they obliged to be accountable to it, as is the public part.

Analyses of the rise of public-private partnerships place an emphasis on the role of communication technologies, which have facilitated cross-border and multi-stakeholder partnerships. Klitgaard and Treverton estimated that private sector participation in poverty eradication programs had grown by 300% over twelve years. While in 1988, the relationship between public and private state programs to eradicate poverty was two state actors to one private one, by 2000, this ratio had been reversed, with seven private actors for every one state actor (Klitgaard and Treverton, 2003). This boom began in the 1990s, a decade in which not only communication technologies and the internet came to the forefront, but so too did neoliberal policies and the reduction of the state through reform become better established.

Private participation in public activities, as well as their access to public funds through the sale of services and partnerships, was favored by the discourse and the impulse of the idea that the state had failed, that public administration does not work and, even more, that the state is an obstacle to citizens obtaining access to the best living conditions.

In the following paragraphs, review is made of the main myths that support the model of public-private partnerships, along with refutations of these same arguments.

MYTH 1: Public-private partnerships are a form of mutual collaboration.

Under the neoliberal umbrella, the narratives of a supposed collaboration that favors the marketing of the private sector come into play. The private sector self-promotes, indicating that it can provide innovation, cutting-edge technology and supposed disruptive thinking, that it is capable of acting with more agility than the public sector, and that it boasts transparency and good management practices.

According to Klitgaard and Treverton (2003), the private sector is interested in entering into partnerships with the state because this can provide legitimacy and support to private brands, while achieving a level of outreach and delivery to the population that would otherwise be impossible.

MYTH 2: The private sector provides agility and innovation.

The neoliberal model has spread the notion that the state is slow and cannot respond to demand with the necessary agility, and thus the private sector is an ally to the population because it provides innovation and agility. Despite the narrative imposed against the state, the world of public management should be considered to be innovative, although it must follow many guidelines and cannot skip many processes because these provide the guarantee that lies in conforming with the law. The state must be responsible for public resources and adhere to a multitude of legislative requirements and the many levels of decision-making that have been established.

MYTH 3: Partnerships with the private sector are cheaper and save money.

The private sector benefits from spreading the idea that public works or activities that are 100% public are more expensive, while public-private partnerships minimize costs. In 2016, the United Nations Department of Financial and Social Affairs (UN DESA) accepted that there is evidence of how works contracted through public-private partnerships "tend to be more expensive than exclusively public works", both due to financing characteristics and to renegotiation costs.

Firstly, if the private sector needs to apply for financing, it receives loans with an average of 7% to 8% interest; this doubles the interest rates paid by the states when they seek financing, which do not go beyond 3% or 4%. In addition, public-private partnerships are complex models fraught with political and administrative tensions, with contracts that commonly require renegotiation or extensions. This leads to costs for renegotiation and further fees of up to 25% more for financing group requirements (Hall quoted by UN DESA, p. 13).

MYTH 4: Partnerships with the private sector prevent corruption.

This myth is based on the liberal-conservative notion that the state and public institutions are corrupt and fail to be transparent because they respond to political and ideological interests, while the private sector is free of partisan political commitments and undertakes management in a more efficient and transparent manner. However, public-private partnerships create multiple opportunities for corruption.

These opportunities include the design of tendering procedures that are favorable to certain suppliers, the lack of public mechanisms to analyze and prevent the risks inherent to supplier selection, a culture of cost overruns at national and international levels, and the lack of state monitoring and control over the services and activities of private partners. These are gateways for corruption to be generated in the public-private partnership model.

MYTH 5: Public-private partnerships avoid bureaucracy and simplify processes.

This myth is nourished by the constant attack that the neoliberal model makes against bureaucratic structures and public employment. Public-private partnerships are said to help prevent the creation of jobs in the public sector. However, public-private partnerships usually require specialized mechanisms and/or regulations and thus require the creation and hiring of teams.

This means that processes are not simplified and the creation of jobs is not prevented. Jobs are simply created by outsourcing services. This contributes to an increase in low-quality and insecure jobs. In the case of education, subcontracting of this type has led to the freezing of public positions for tasks such as cleaning, maintenance, security and food provision services in educational institutions.

MYTH 6: Public-private partnerships transfer a large part of the risk to the private sector.

This myth can be debunked because in most cases in developing countries the state ends up taking up the slack for incorrect cost estimates, cost overruns due to delays, shortages in supplies, new costs in materials, design errors, errors during the construction of public works, fraudulent practices by companies, etc.

> **That is, the state ultimately is liable for the risks incurred (Loxley, 2013). A well-known example is the case of the 50 private highway concessions in Mexico. Between 1989 and 1995, the Mexican government entered into 50 concession contracts. In 1997, the private parties, considering that they had failed to receive the profit they'd estimated, withdrew from 50% of the agreements, leaving the Mexican government with a debt of US$7.7 billion, and with sole responsibility for 25 of the 50 concessions. (WB, 2012, p. 22)**

The myth that the state is ineffective is linked to the ongoing reduction of public resources and has its origin in the neoliberal model. In fact, the neoliberal model has tied the hands of the state, putting it in debt and preventing it from strengthening its presence in the territories that most require it. This has been achieved by the neoliberal model, which, in turn, has promoted public-private partnerships.

Actors and agendas that drive the public-private partnership model.

As already mentioned, public-private partnerships are a format arising from the neoliberal model, which aims to weaken the management and investment capacity of the state, thereby decreasing public financing and the number of public servants, then taking advantage of this weakening to promote having the state subcontract private services or generate “co-governance" systems with private actors. This model is promoted and financed by international organizations and is often imposed as a condition to accessing credits and other benefits. The United Nations 2030 Agenda itself places an emphasis on taking up forms of public-private co-governance in response to the main public problems. In a situation in which democratic systems were freed from the neoliberal mechanisms weakening the state, these public problems would be solved through public policy and state institutions. Some institutions such as the World Bank, the Inter-American Development Bank, the OECD and the United Nations have been among the main promoters of this model.

An overview of the role of the World Bank, the IDB and the OECD in promoting PPPs

Below are some descriptions provided by international institutions.

The **World Bank** considers a public-private partnership to be "a long-term contract between a private party and a government agency, for providing a public asset or service, in which the private party bears significant risk and management responsibility" (WB, 2012, p. 11).

In fact, the OLPE performed an analysis that revealed that the World Bank's Education 2020 Strategy created in 2010 expands on the idea that the educational system should not be limited to the public system, but rather should include the modalities and offers of the public, private and mixed sectors, including non-governmental and religious organizations. In this strategy, the Bank foresaw partnerships between actors to implement educational policy, referring to a complex network of participants (government agencies, public and private providers, people, communities and organizations) that supply, finance and regulate learning services, those related to functional and power relationships, and the responsibility mechanisms that link these relationships (OLPE, 2017, p. 10).

The OLPE also reviewed the 1990 World Bank report on Poverty (WB, 1990), in which this entity proposed a set of theses on educational policy that it has continued to impose in its relationships with the governments in the region to this day. With regard to partnerships with the private sector, as early as 1990 the World Bank argued that "the private sector is an ally of the public system to guarantee coverage and access" (WB, 1990, p. 84).

In the 2012 publication entitled Reference *Guide on Public-Private Partnerships*, the World Bank argued that public-private partnerships are a way to overcome alleged instances of mismanagement, insufficient funds, inability to plan, and poor maintenance skills found in states and public institutions (World Bank, 2012).

For the World Bank, PPPs can be an advantage for public management because states do not always have financing available or have little debt capacity. In a PPP, the private party can finance the works until the state can manage payment.

The World Bank usually recommends that each partnership should include a public-private department that has management and regulatory capabilities. This recommendation ends up contradicting the intention of minimizing bureaucratic structures and levels.

For its part, in the document *Public-private Partnerships* published in 2004, the **International Monetary Fund** (IMF) describes PPPs as “arrangements where the private sector supplies infrastructure assets or services that traditionally have been provided by the government”. It goes on to explain that obtaining private capital and management can alleviate fiscal constraints affecting infrastructure investment and states that "better management in the private sector, and its capacity to innovate, can lead to increased efficiency; this in turn should translate into a combination of better quality and lower cost services”. Meanwhile, the private sector benefits because PPPs open up business opportunities in branches from which "it was in many cases previously excluded" (IMF, 2004, p 4). What the International Monetary Fund indicated in 2004 is precisely what is observed in public education PPPs, because the private sector has been positioning itself in areas and services in which it previously had no participation (from teacher training to curriculum design and evaluation, etc.)

However, the International Monetary Fund itself warns that

the driving force behind PPPs may be not only a quest to increase economic and social efficiency, but also the ability to bypass expenditure controls, and to move public investment off budgets and debt off the government balance sheet, by exploiting loopholes in current fiscal accounting and reporting conventions. (IMF, 2004, p. 5)

PPPs usually follow a “design-construction-financing-operation" schema, according to the characteristics requested by the state. These partnerships are used for a wide range of economic and social infrastructure projects, although they are mostly used to build and operate road networks, airports and ports, traffic control systems, prisons, sewerage and water sanitation plants, hospitals, schools and public buildings (Hemming, 2006, p. 3).

According to the **Inter-American Development Bank, IDB**, a PPP should offer attractive incentives to the parties involved, also requiring states to develop strong technical capacities to participate in a partnership. This is explained in the publication *La gobernanza de las alianzas público-privadas. Un análisis comparado de América Latina* (The governance of public-private partnerships: A comparative analysis of Latin America), published in 2016. In this document, the IDB explains that institutions play a “monitoring and control" role (p. 7), placing the responsibility for managing and recognizing risks on treasuries and ministries of the finance. In this document, the IDB argues that there should be “accountability for each of the actors” (p. 7). From this perspective, the state is on supposed equal terms with the private sector it hires to provide services or perform public works.

The **Organization for Economic Cooperation and Development** (OECD, 2008) has one of the few definitions that mentions the for-profit nature of private parties in a partnership. The OECD defines public-private partnerships as:

> **an agreement between the government and one or more private partners (including funders and operators) according to which the private partner delivers a service in such a way that the governmental service objectives are aligned with private profit objectives, and in which the effectiveness of this alignment depends on the sufficient transfer of risk to the private partners. (2008, p. 12)**

The OECD considers PPPs to be a form of public service that redefines the roles of the private and public sectors. The OECD believes that PPPs can bring greater sources of private financing to public services (although financing does not mean funds, but rather loans).

Among the main arguments of the OECD in favor of PPPs is the explanation that states have a limited capacity to provide services with the necessary scope and that, when they do have said capacity, this is usually slower and more bureaucratic than private sector capacities. The OECD recommends that governments review their management capabilities before committing to a PPP, ensuring that there is adequate political support and the institutional capacity necessary to sustain and support the process (OECD, 2008).

The OECD and the commercialization of education as a rule

The World Trade Organization (WTO) was established in 1995. Ten years later, in 2005, six Latin American countries had already signed the general agreement on trade and services. On its web page, the WTO reports that its function is to "ensure that trade flows circulate as smoothly, predictably and freely as possible" (WTO, 1995).

One of the main tools of world trade is the General Agreement on Tariffs and Trade (GATT). The Education International publication, *La educación en Costa Rica. Un análisis comparativo de su desarrollo en los años 1950-2014* (Education in Costa Rica: A comparative analysis of its development from the 1950s to 2014), by Jose Manuel Valverde, explains that

> **the WTO has indicated on several occasions that the GATT "does not include public services or require them to be privatized", however, as the inclusion or non-inclusion of public services is not clearly established in negotiations, in many countries the signing of these agreements has resulted in an accelerated expansion of the private offer of educational services at all levels. (own translation, EILA, 2015, p. 45)**

This accelerated expansion can be seen in Costa Rica, where twenty-eight new private universities have been installed in the country since it joined the WTO. Currently, the ratio of private universities is fifty-five private to five public universities (EILA, 2015).

In 2005, coinciding with the rise of the WTO, the World Bank published its document on the internationalization of higher education in Latin America, proposing as a deeply innovative model the option of selling transnational educational services via university franchise systems, these being satellite models with a parent company based on the support of digital tools (World Bank, 2005, p.30). Growing alongside the progress of the internationalization of education, is the increasing impossibility of disclosure of the economic agreements made between educational groups, and of supervising the conditions of teaching work within these institutions.

In the case of Latin America, the OECD can be observed as one of the main promoters of the internationalization of higher education and the defunding of public universities.

The report Education in Costa Rica (OECD, 2017) criticizes public investment in higher education and the absence of a link between the allocation of university budgets and results (p.19). This report on education in Costa Rica indicates that the costs of public spending on university education, channeled through the Special Fund for the Financing of Higher Education (FEES for the initials in Spanish), are increasing in an unsustainable fashion and that what should be sought is a reduction in university investment in favor of that in pre-school, primary and secondary schooling. The document states that

> **Public universities use this funding to heavily subsidize tuition (so that students pay very low fees in the public universities) and to offer scholarships (received by almost half of the students of public universities) [...] These financing agreements are both unsustainable and inequitable. Public expenditure on tertiary education has roughly doubled as a proportion of (fast-growing) GDP since 2000 and at 1.5% is now well above that of the majority of OECD countries. Public subsidy will not be able to support the future anticipated growth in tertiary participation to the same degree. On equity, the majority of students who benefit from public universities are from wealthier backgrounds. Students who can afford to pay for private secondary schooling are twice as likely to succeed in the competitive entrance to public universities as those who attend a public secondary school. Conversely, students in private universities have almost no access to scholarships, although they face larger fees and many of them come from lower-income families (OECD, 2017, p. 18-19).**

This statement about the lack of scholarships in the private tertiary education sector could open the door for Costa Rica to repeat the model of "vouchers" already existing in other countries, in which public funds are taken to finance tuition fees and monthly payments in private universities, as occurs in Colombia and Brazil.

The OECD also criticizes Costa Rica not having an organization that can promote reform in the entire tertiary education sector, both in the private and public sectors, and considers that in the country.

there is no way of developing and implementing new policies on issues like student finance, tertiary quality, or meeting the needs of a fast-changing changing economy. This fails to provide a sound foundation for the development of a competitive, high-quality tertiary education sector. (p. 19)

As can be seen, this OECD publication from 2017 repeats exactly the arguments put forth by the World Bank in 1990, renewing the call to the countries of the Global South to defund higher education and redirect these funds to the primary and secondary levels of schooling, so generating, once again, this artificial dispute between the different levels of the educational system.

Public-private partnership reforms and the participation of the private sector in the areas of educational policy design are not minor issues, nor is the role of the OECD. This latter has increasingly ventured into the educational field, because it is one of the areas in which the market can most grow internationally via different service models.

The United Nations as promoters and supporters of the PPP culture

Like the OECD and the World Bank, the United Nations is a strong promoter of the public-private partnership model. In the Education International report titled *Comercio educativo: un proceso resguardado desde lo político, lo financiero y lo ideológico* (*Educational commerce: A process protected politically, financially and ideologically,* EILA, 2018), the OLPE warns about the unlimited support of the UN to the PPP model. The OLPE describes how the 2030 Agenda, and in particular Sustainable Goal 4 related to education, focus on public-private partnerships as a model for the financing, design and the creation of educational policy.

Before the 2030 Agenda came into existence in 2015, both UNESCO and UNICEF promoted PPPs in the education sector. The UNESCO document, *Private Sector partnerships: Making a difference* (2006), considers that the support of the private business sector is central to achieving educational progress (p. 5), while the UNICEF and UNESCO 2013 publication, *The smartest investment: A framework for business engagement in education* recommended that the private business sector link up with the public education sector to participate in various services such as content design, materials, ICT and coverage (p.11).

In the field of education, the OLPE analyzed the emergence of a clear evolution favoring PPPs, with a move from the global agreements established at the World Conference of Education for All in Jomtien, Thailand in 1990, in which the state was seen to play a leading role in guaranteeing the right to education, to the Dakar Framework for Action in 2000 and the Incheon Declaration in favor of the 2030 Agenda made in 2015, which generated greater pressure for states to co-design, co-implement and co-finance education policy with the participation of the private sector.

For its part, the EILA document, *Las tendencias del comercio educativo: entramados políticos, económicos e ideológicos para comercializar un derecho* (The trends of educational commerce: Political, economic and ideological frameworks to commercialize a right, OLPE and EILA, 2018), analyzes how UNESCO proposes that the participation of private actors in the provision of educational services is the correct alternative to achieve the inclusion of all people who require access to education as a good, and, even more, represents the option required to solve to the state's inability to guarantee inclusion and the right to education (EILA, 2018).

The World Investment Report 2014 titled *Investing in the Sustainable Development Goals: An Action Plan* (UN, 2014) established that, in order to sustain all the actions necessary to achieve the sustainable development goals (SDGs) established, a financing gap existed of up to US$2.5 trillion per year for each year from 2015 to 2030.

In November 2019, the United Nations published the document *Financing for development: International development cooperation and other interrelated systemic issues*, as a result of the third meeting of the Intergovernmental Group of Experts on Financing for Development of the United Nations' Trade and Development Board. This document establishes that the amount of resources that must be mobilized to achieve the objectives of the 2030 Agenda require the unification of development cooperation resources and debt and investment resources, because separately none of these are sufficient (UN, 2019).

At the same time, the document considers that there is a loss of validity of the strategies used by developing countries to attract private resources that leverage or complement public budgets. For all these reasons, the United Nations believes that the flow of funds from North-South cooperation should be reinvigorated, with the promotion of pooled financing in order to achieve the objectives of the 2030 Agenda. Additionally, the document states that the participation of private resources in development financing may be appropriate for middle-income countries that do not meet the eligibility criteria to receive non-refundable financing.

This document urged the greater participation of private financing, given that 2018 data showed official development assistance (from multilateral actors and governments) had remained at approximately US$153 billion annually and had not shown significant increases since 2013. Of this amount, only 32% was directed towards the most vulnerable countries.

Many cooperation resources include the participation of the private sector as a requirement or condition, supposedly to guarantee aspects such as transparency or agility. Nonetheless, alongside this, the United Nations admits the existence of a gray area in financing that consists of funds dedicated to intermediation costs, "administration and consultations" (UN, 2019, p. 5). This is not a minor aspect, mainly because the same report indicates that between 2013 to 2017, only 25% of development cooperation resources were channeled through state budgets; that is, 75% of resources were channeled through cooperation agencies, foundations, NGOs and other private structures (UN, 2019, p. 6), without the possibility of reporting these via official or public channels.

The document F*inancing for Development: International Development Cooperation and other interrelated systemic issues* states that, due to the inadequacy of financing from national and international public sources, the participation of private financing is necessary, which should occur via innovative hybrid sources that coordinate donations and non-refundable financing with debt and speculative investment capital.

The contribution of private philanthropy to development cooperation financing increased from 1.9% in 2009 to 3.7% in 2017. According to the OECD data quoted by the UN, the contribution of private foundations totaled US$13.9 billion between 2015 and 2017 (UN, 2019, p. 13). The weight of these resources is more significant for some sectors than for others. This is the case for health and education, which receive 62% of private philanthropy funding. Other sectors these funds focus upon include agriculture and forestry (9%) and the strengthening of civil society (8%). Africa receives 28% of the funds from private philanthropy, with Asia following with 17%, then Latin America at 8%, and Europe at 2% (UN, 2019, p. 13).

This data is important for several reasons. Firstly, traditional philanthropy acting in the 1980s and early 1990s used to simply contribute resources, mostly without directly participating in the execution of these.

In contrast, today's investors and philanthropists mainly act as investors contributing speculative or debt-based funding, and usually participate more actively. They may participate in the definition of the criteria to select certain projects or initiatives over others, in the definition of measurement indicators and the focus to be used to decide on the impact of their investment, and they may even decide on who implements the resources, when disbursements are made, and so on.

Secondly, this is significant because as mentioned previously, 75% of the funds of the philanthropic private sector are delivered through non-public and non-state channels that are neither subject to official reports, nor to accountability, transparency or tax payment processes (p. 15).

Thirdly, given that the United Nations established the goal of mobilizing US$2.5 trillion annually each year from 2015 to 2030, it is evident this entity will tend to promote public-private partnerships that encourage greater private participation in financing – and, with this, in defining the direction of public policy.

The 2030 Agenda and public-private partnerships

The United Nations perspective coincides with the conclusions of the Education Commission, which agreed with the objective of presenting an action agenda for global education financing and played a key role in the World Bank 2017 Spring Meetings, where it presented a proposal to establish the International Finance Facility for Education (IFFE).

In November 2016, that commission submitted the report *The Learning Generation: Investing in education for a changing world*, which stated that fulfillment of Sustainable

Development Goal 4 regarding quality education requires a revolution in education finance, for which it recommends “mobilizing new finance from a wide range of resources, including the establishment of a new educational investment mechanism to help scale financing from multilateral development banks” (p.9).

The Sustainable Development Goals established in the 2030 Agenda are based on the concept that states are not self-sufficient to meeting the financing and scope of SDGs. The private sector is therefore seen to be a key actor in the process of achieving these goals and thus also to be a key actor in public policy. Meeting the educational goals set in the SDGs thus implies naturalizing and even promoting the participation of the private sector.

In the field of education, the UN 2030 Agenda in the Incheon Declaration and the related Framework for Action, indicates:

> **the private sector, philanthropic organizations and foundations can play an important role if they use their expertise, innovative approaches, business experience and financial resources to strengthen public education. They can contribute to education and development through multi-stakeholder partnerships, investment and contributions that are transparent, aligned with local and national priorities, respect education as a human right and do not increase inequality. (UN, 2015, p. 57)**

This same framework of action adds that the private sector can contribute by helping “education and skills-training planners understand labor market trends and skills needs, thereby facilitating the school-to-work transition”, as well as by increasing “inclusive education opportunities by providing additional services and activities to reach the most marginalized within the framework of state-regulated standards and norms” (UN, 2015, p. 57).

That is, the participation of the private sector in the design, financing, establishment of pedagogical guidelines, and in the governing of educational policy itself is naturalized.

The OLPE has pointed out that the trend of acting in a state that functions as a public-private business is not going to stop, especially because the ministries of education in the region are focused on achieving standardized and quantitative results. Such results are the condition for obtaining funding from banks and have placed many of the decisions and actions demanded to achieve these standardized and quantitative results in external hands.

The problem of the financing of public-private partnerships

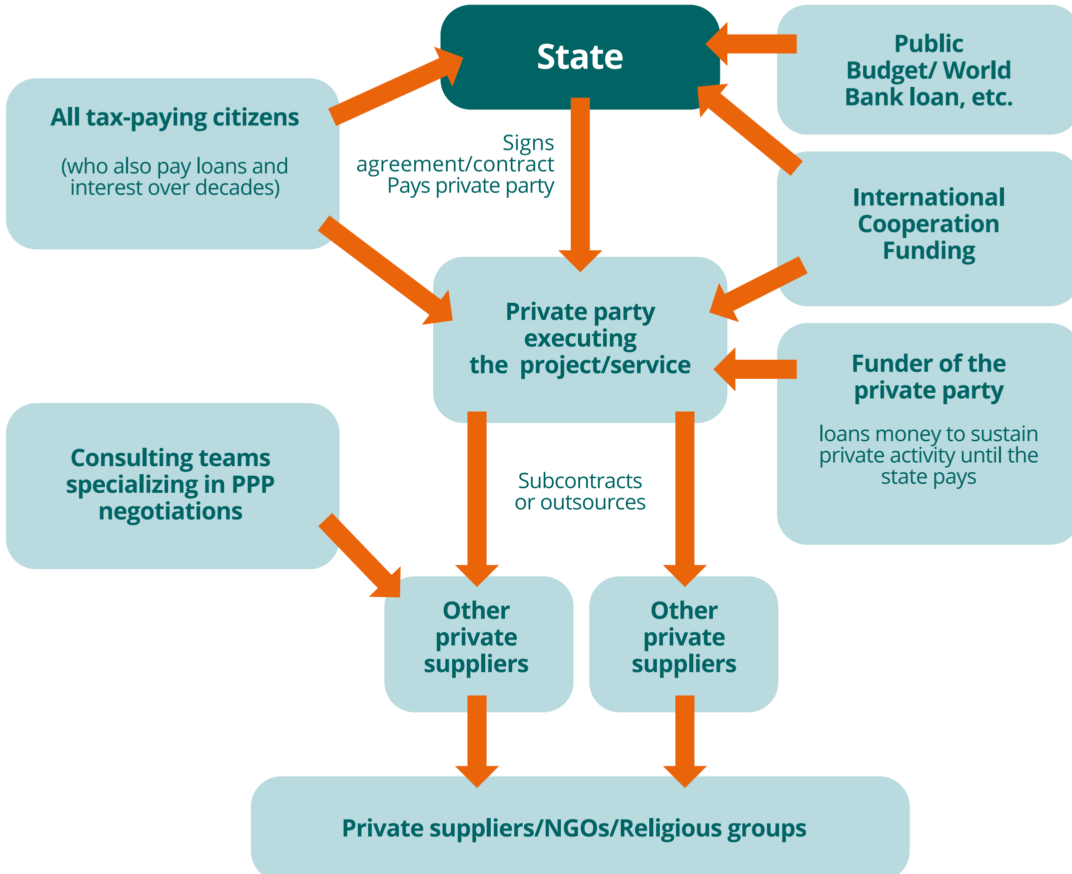
The processes of public-private partnerships are paid for with public funds or with international cooperation funding. These public funds may come from regular state budgets, or from loans that the state acquires from creditors such as the World Bank, the Inter-American Development Bank, or even from funds that International Cooperation agencies grant to the country by means of paying for services from a private company, foundation, or NGO, among others.

In some cases, the private party may manage financing funds to enable some phases of the development of works, for example, by applying for loans to build a road, a hospital or a school campus. However, the state ultimately pays for all costs, including the loans that the private party may have taken out.

When the state goes into debt with the World Bank or the Inter-American Development Bank to undertake infrastructure works, public reform projects or other projects that use the figure of public-private partnerships and that resort to the subcontracting of private groups, advisors, consultancies, and so on, it can be said that the entire citizenry ends up paying for and financing these public-private partnerships, because the entire citizenry finances the interest and payment of the debts incurred.

The following diagram shows a traditional structure of payment flows of a public-private partnership.

Figure 1. Traditional structure of payment flows of a PPP



Note. Own elaboration.

That is, the activities of the private party are supported partially or totally by public funds, with public debt funds that will be much more expensive over time due to the charging of interest, or with cooperation funds. Sometimes, when they are supported exclusively by cooperation funds, this dynamic of international funds ends up adding to the exercise of private control and business participation over public decisions.

In the case of education, both NGOs and companies, foundations and even religious entities provide services to the ministries of education. As the OLPE has stated, the processes of public-private partnerships are paid for with public funds, either from ordinary budgets or even from loans that condition states to hire private suppliers to execute said resources.

Public-private partnerships in education are fueled by a narrative that attacks and persistently devalues the public sector and its management capabilities, while at the same time validating the existence of private groups that are supported by public funds. Public-private partnerships allocate millions of dollars from the public sector every year to private groups, NGOs and religious groups, so that these can sell services such as the management of educational institutions, as occurs with concession schools in Colombia; the design of national educational policy which is subcontracted to certain NGOs, as happens in Peru; teacher training, as is seen in Costa Rica; or evaluation processes, as in the case of Uruguay.

The evolution of public-private partnerships

The strong presence of the public-private partnership model weakens the idea of the state, naturalizing the concept of a state that governs in supposed permanent collaboration with the private sector.

International trends in public administration and business administration training schools disseminate the public-private partnership model as one of collaboration between parties that bring different skills and strengths to solve a public problem. In the theory of public-private partnerships, the public sector contributes its population outreach capacity, its legitimacy and its legality, while the private sector contributes innovation, technology and agility.

Added to this theory is the notion that by allying itself with the private sector the state and its institutions acquire more efficient management practices and will be able to be effective even within the framework of budget cuts renamed as austerity.

Public administration and business administration schools call the neoliberal tendency to co-govern in public-private partnerships hybrid government. This model blurs the line that divides the public from the private, so falsifying the foundations of the modern state.

In the book *Managing under austerity*, detractors of public management argue that more innovative public services could be offered if the ideological division between the public and the private were overcome in order to govern in times of austerity (Sturgess, 2015).

The truth is that, although they seek to disguise themselves as a neutral trend in public administration, public-private partnerships are not exempt from ideology nor from taking up an ideological stance. On the contrary, they are a form of privatization because through these the state delegates its responsibilities, such as the provision of public services and even control and regulation processes, to private actors (Metzger, 2003). In addition, they are a form of profit, because the private groups, companies and foundations performing the services receive payments from public funds.

Traditional fields for public-private partnerships

Traditionally, the fields in which public-private partnerships occurred were limited to infrastructure, transportation and some services at the municipal level (garbage collection, public adornment, parks, etc.). In the last two decades, the strong emergence of public-private partnerships has been seen in areas of public service management, ultimately placing in private hands areas of public interest such as health, educational management, the development of social interest programs, and attending to those who are deprived of liberty.

In a 2003 study titled *Privatizar y delegar* (Privatize and delegate) published by the Asociación de Revisión Legal de Columbia, Gillian Metzer warns of growing activity transfer from state to private hands. She emphasized that with the outsourcing of the management of social welfare programs, the private sector was left with the responsibility of determining the eligibility of beneficiaries, assessing their abilities to work, designing job search plans, and even punishing people for not fulfilling the programs designed for them (p. 1385). In this same publication, Metzger pointed out two other areas of delegation of public tasks into private hands. One is the administration of prisons in the United States. The author explicitly stated that private groups "went from building prisons to managing them" and notes that they earn money for each person imprisoned, which, according to the author, is unconstitutional.

The other area of delegation is public education through the charter school system (which families pay for with "vouchers"). Charter schools are created by a group of people managed by a private board, and Educational Management Organizations (EMO). A single EMO may administer many schools in one district, which becomes a private monopoly.

In 2009, ECLAC explained eleven factors that "conditioned economic growth" in the region:

1. Overall competitiveness
2. Insufficient export growth
3. Lower share of manufacturing
4. Weak export market positioning
5. Inequality
6. Volatile growth rates
7. Technological content of exports
8. Lag in export diversification
9. Reduced investment in research and development
10. Low investment and productivity
11. Education (ECLAC, 2009, p. 37)

Given these factors, added to the notion that when the state is not able to resolve these problems via public policy while the private sector can, it is no surprise that international institutions such as ECLAC promote public-private partnerships in these branches of activity and industries. It should be noted that education is one of areas listed by ECLAC.

The economic logic behind public-private partnerships

Education International's Observatory of Educational Policies has published various studies demonstrating that the private sector is interested in drawing closer to the state and public institutions because it can thus access decision-making levels, influence public policy, do business through the sale of services, obtain access to tax incentives, and guarantee new business in the future.

In a study on the public-private partnerships currently existing in Canada (Loxley and Loxley, 2010), it was found that the costs of PPPs exceed those generated by 100% state management in the fields of education, water sanitation and nutritional services in hospitals. It was even observed that they are more expensive to create and operate, so leading to more precarious services that have less accountability to society than is the case for 100% state projects. Loxley and Loxley further noted that the more the presence of corporations in PPPs grow, the more accountability and access to information decreases.

Loxley and Loxley analyzed the experiences of governments in PPPs for education. Their research concluded that municipalities seek to avoid the appearance of indebtedness in their name on their bank records. To avoid taking out loans to build or operate hospitals, universities or schools, local governments thus end up accepting PPP processes, in which the private party acquires the loan and completes the public works or manages the services, although in the long run it is the municipality that pays all the costs, even the cost overruns, because the municipality could have obtained loans at much lower interest rates.

In the book *Global Auction of Public Assets*, Dexter Whitfield (2010) reviewed the consequences of a secondary market generated by PPPs, in which universities, schools and hospitals are sold and bought as commodities or consumer goods in a global supermarket. Whitfield criticized the imposition of for-profit management designs, that insert into state dynamics the discourse on preventing public spending through partnerships with the private sector that close the door to significant discussions on alternatives that could deliver short- and long-term benefits, such as combating tax evasion on behalf of these same private counterparts and/or the reduction of public funds directed to military forces or even forces of repression against the population. Whitfield believes that PPPs end up weakening democracy because they systematically reduce the responsibility, capacity and power of the state.

PPPs and the private donation system and the risks to the tax system. The cases of the USA and Uruguay

In many countries, there are mechanisms that grant tax benefits to individuals and companies that donate funds to education projects. The United States is one of the countries with the most extensive tradition of granting tax exemptions via donations as well as having a greater trend towards individual donations made to projects implemented in Latin America.

A brief analysis of the case of the United States

Although traditionally private donations in the United States were made by donating directly to charitable organizations or foundations, this tendency has been exploited by the private banking market, which offers increasingly sophisticated mechanisms to capture and manage these funds.

In recent years, banks in the United States, Canada and the United Kingdom have established financial products to capture and channel these donations. An example is the Bank of America, which established the product of **Donor-Advised Funds** (DAF) through its Charity Gift Fund.

Currently, DAFs are considered one of the most advantageous instruments in tax matters, since when donations are generated with all the legal requirements, the bank's clients can receive tax exemptions for up to 30% of the taxable value thereof, that is, up to a 30% reduction in tax payments can be achieved.

Some banks, like the Bank of America, offer their customers the option of connecting these donation accounts to stock market shares, given that, on generating a donation from shares, all capital gain taxes can be eliminated in the case of securities and shares owned for at least one year.

A Donor-Advised Fund (DAF) is, first and foremost, a bank account in which a bank customer places non-reimbursable resources destined to support national and international organizations implementing social projects and charitable activities. By contributing these donations, individuals or entities are eligible for tax exemptions, as long as the resources are directed to activities or entities that meet the requirements established for recipients of donations according to the legislation of each country.

In this sense, the banking entities offering these services must advise their clients as to which projects and entities meet these requirements and can therefore guarantee tax exemptions for the client. To build this expertise, banks ally with foundations and NGOs that guarantee the structures and networks of projects in which resources are to be placed, both in the USA and abroad. These foundations and NGOs may be directed at areas such as health, education, early childhood care, climate change, religion, food security, etc., with the general exception of political parties or groups.

The Fidelity Charitable group is an example of a donor-advisory company. This group advises as to possible organizations to which to make donations, as well as advising on intermediary organizations. According to the Donation Report published by Fidelity Charitable, in 2021 alone this company operated and channeled donations for US$10.3 billion, of which 24% went to supporting activities in the education sector inside and outside the United States (Charitable, 2022, p.15).

Both donors and those managing donations receive economic benefits. This generates greater availability of dispersed resources, which contributes to the morass of executors of funds in educational projects impacting on public education.

A brief analysis of the case of Uruguay

In October 2021, on the occasion of the G20 meeting, the Independent Commission for the Reform of International Corporate Taxation reiterated that every year transnational corporations evade taxes that cost states up to US$240 billion. The Commission proposed that a 15% tax quota be imposed on transnationals (ICRICT, 2021).

So far, the trend has been in the opposite direction. The private sector has taken advantage of different systems of tax benefits applicable to the payment of income tax on economic activities, and/or on wealth tax and property tax. These benefits become effective when contributing actors make donations to state or non-state entities that are recognized to be of public interest.

Tax exemption laws operate differently in each country, but they have in common a logic of favoring the private sector to the detriment of public finances.

The OLPE has analyzed the case of Uruguay, where the law favors companies or taxpayers who make donations in the form of sponsorship of an educational institution. 75% of the donation thus made is then returned as a tax exemption. For tax purposes, the remaining 25% of the donation can be deducted as a company expense. This means that when making a donation a company can receive tax benefits of up to 81.25% of the donated amount.

The study *El avance privatizador en la educación uruguaya: discursos y políticas* (The advance of privatization in Uruguayan education: Discourses and policies), undertaken by FENAPES and Education International explains that for every $100 donated, the state loses the opportunity to collect taxes for up to $75 (FENAPES, 2019, p. 105).

Just as banks in the United States are expert advisors in mediating donation processes, in Uruguay, the ReachingU Foundation offers donation management services. This type of consultancy for the placement of funds and the implementation of educational projects represents a very attractive opportunity for companies seeking tax benefits as described above. The foundation's web page explains that, for legal purposes the foundation holds the legal status of a "non-profit organization" established in Regulation 501c3 of the United States Internal Revenue Service. Given this, all donations made to ReachingU from the United States are tax deductible (Source: ReachingU).

Having access to the tax benefit system is not always easy and may require levels of technical expertise. A business chain focused on facilitating the use of these tax exemption mechanisms through donations can thus be observed (Austen, 2009 and OLPE, 2021).

Other businesses: Leading, intermediating and training experts in public-private partnerships

The business model of public-private partnerships also generates a business chain of intermediary advisors. As previously mentioned, the OECD and the World Bank are among the main advocates for the existence of platforms, structures, departments, offices and consulting groups that advise on the processes of negotiations, operations, evaluation, renegotiation and extension procedures for PPPs.

In 2016, the Addis Ababa Action Agenda for Financing for Development called on states to build "greater capacity to participate in PPPs, including the capacity to plan, negotiate contracts, finance contingencies" (UN, 2016, p. 25), as well as to comply with environmental standards and accountability mechanisms.

International consulting companies such as McKinsey & Company, E&Y (formerly Ernst and Young), and Millennium Challenge Corporation are some firms that sell advisory services to stakeholders in public-private partnerships such as states, NGOs and international cooperation organizations. These services range from country risk and evaluation studies, cost-benefit analysis, profitability and return on investment studies, program and project eligibility analysis, project design, monitoring and evaluation, etc.

In 2017, the OLPE published an analysis on trends in the commercialization of education in Latin America. This analysis reviewed the way in which cooperation and philanthropy funds accelerate and launch business networks tied into public education in the form of public-private partnerships. Such networks have global, regional and national levels, which operate in a coordinated fashion while also openly competing for the resources available. These strongly pushed in favor of public-private partnerships as a global agenda.

The non-refundable funds that come from governments, the World Bank, the IDB and other multilateral donors are usually made available through calls for proposals and tenders that require rather complex conditions of applicants in terms of operational capacity, accounting structures, audits, financial sustainability, etc. These conditions place NGOs and international foundations in position as being the main competitors for these funds, leaving out smaller organizations with less operational structure. When they are designated as the winners of the funds, international NGOs and foundations usually subcontract other organizations that were left out of the initial tendering process, so generating networks of second and even third-level service providers, which are companies or foundations subcontracted by the first subcontractors.

These business networks are clearly framed in the Incheon Declaration and the United Nations 2030 Agenda, which called for private participation in the design, financing and even the implementation of educational policy.

There are at least two United Nations documents that reinforce this emphasis on the private financing of education. The World Investment Report 2014, *Investing in the Sustainable Development Goals: An Action Plan* (UN, 2014), stated that in order to sustain the actions required to achieve the SDGs, a financing gap of up to US$2.5 trillion existed for each year from 2015 to 2030.

In 2021, the Rockefeller Philanthropy Advisors firm (RPA, 2021) published an article advising philanthropists and donors on placing funds in education. This article stated that in 2020 US donors gave US$71 billion to educational projects, representing 15% of all donations from that country. These funds were intended to “facilitate collaboration between government and business and to achieve greater scale and impact” (RPA, 2021). 57% of these resources were directed to primary, middle and secondary education, 49% to education for employment and 4% to early childhood education. Rockefeller Philanthropy Advisors encourages investors to inject resources into issues that have already demonstrated achievements, such as projects in socio-emotional education, job preparation, and evaluation and measurement mechanisms.

The promotion of financing education with investment resources and philanthropic funds has various key implications. Firstly, traditional philanthropy acting in the 1980s and early 1990s previously tended to simply contribute resources, mostly without directly participating in the execution of these.

In contrast, today's investors and philanthropists mainly act as investors who contribute speculative or debt-based funding, and these usually participate more actively. They may participate in the definition of the criteria to select certain projects or initiatives over others, in the definition of measurement indicators, and of the focus used to decide on the impact of their investment. They may even decide on who implements the resources and when disbursements are made, and so on.

Secondly, as mentioned previously 75% of the funds of the philanthropic private sector are delivered through non-public and non-state channels that are not subject to official reports, nor to accountability, transparency or tax payment processes (p. 15).

Thirdly, given that the United Nations established the goal of mobilizing US$2.5 trillion in financing each year from 2015 to 2030, it is evident this entity will tend to promote public-private partnerships that encourage greater private participation in financing – and, alongside this, in defining the direction of public policy.

The business of strengthening NGOs to sell services

In the Dominican Republic, the OLPE reviewed the forms of private sector participation in the provision of services (OLPE, 2021). Notable among the cases studied is the organization called Alianza ONG (NGO Alliance), which is described as a multi-sectoral network of civil organizations. The Alianza ONG group is one of the signatories of the National Pact for Educational Reform. Among the services offered by Alianza ONG are training in the law regarding non-profit associations in the Dominican Republic (Alianza ONG, 2019, p. 16).

These training sessions are offered in coordination with the APEC University School of Law and the International Center for Not-for-Profit Law (ICNL) and are aimed at improving management of the right to free association, the legal framework for the non-profit sector, and other applicable legislation in the management of NGOs (Alianza ONG, 2019). In a note published on its web page in November 2019, under a heading that translates as *More training on non-profit associations* is requested, the alliance explains that such associations generate more than sixty thousand (60,000) direct jobs. It further assures that these entities are actors that are highly qualified to participate in public policies, whether social, economic, or environmental in nature, hence the importance of studying this sector and of training professionals in areas such as law so they can be better prepared (Alianza ONG, November 27, 2019).

The NGOs have a structure for action within the Dominican Ministry of Economy, Planning and Development (MEPyD for the initials in Spanish). This structure is the *Consejo del Centro Nacional de Fomento y Promoción de las Asociaciones sin Fines de Lucro* (Council of the National Center for the Promotion of Non-Profit Associations, CASFL). Alianza ONG was elected as the Civil Society representative on this council for the 2019-2021 period.

The Council of the National Center for the Promotion of Non-Profit Associations has the task of approving the rules and regulations governing the functioning of non-profit associations and is also responsible for their promotion.

Since its appointment to this council, Alianza ONG has aimed to achieve greater weight for NGOs in the different decision-making processes in the National Development Strategy (END for the initials in Spanish) and the 2030 Agenda on the Sustainable Development Goals.

According to the Alianza ONG organization itself, currently the NGOs sitting in this Ministry of Economy, Planning and Development (MEPyD) structure are focused on the implementation of the new Comprehensive Management System of Non-Profit Associations (SIGASFL for the initials in Spanish), which could be used as a platform to take advantage of different benefits, as well as to regulate the registration and accountability of NGOs (OLPE, 2021).

Public-private partnerships in education: Businesses within businesses

As in other areas of public policy, public-private partnerships can take different forms. The Economic Commission for Latin America and the Caribbean describes at least three types of partnerships:

+ Formal and structured, when these are governed by legislation, regulations and/or framework agreements and have decision-making bodies.
+ Informal and tacit, when these exist due to a prolonged practice over time, but are not protected by specific legislation or regulations, nor are areas of decision-making necessarily established.
+ Hybrid, when formal and structured partnerships coexist with informal and tacit ones (ECLAC, 2009, p. 69).

As will be seen below, partnerships of all these types coexist in the educational sector.

To understand the way in which public legislation promotes the establishment of public-private partnerships, it is useful to review the development plans of Latin American countries. To this end, the Latin American Observatory of Educational Policy (OLPE) has reviewed the relevant national development plans, or failing that, the national development strategies of eleven countries. It found a common denominator in all of these in the prioritization of public-private partnerships to achieve the 2030 Agenda Sustainable Development Goals (SDGs).

In the case of the education sector, it was observed that ministries or secretariats of education at national and state levels have offices or departments specializing in cooperation, which are used to manage and coordinate with projects implemented through public-private partnerships, concessions, or in conjunction with business platforms, and so on. This complies with the recommendations of the OECD and the World Bank to have institutional capacity to implement PPPs.

Privatization and the commercialization of education: The role of public-private partnerships in public education

In the field of education, the 1990s were characterized by the global alignment of educational systems around the Jomtien statement and the Education for All initiative, which promoted public-private partnerships in education and invited an expansion of the participation of "civil society" in the development of educational policies (OLPE, 2019).

The year 2000 began with the alignment of education policy with the Dakar Framework for Action (UN 2000), which proposed the "mobilization of new resources, particularly those coming from the private sector" and the search for "alternative mechanisms for financing education, such as public/private sharing and foreign debt/education swaps" (p. 40). Dakar gave a role to international cooperation agencies to collaborate through "support mechanisms to countries in order to contribute to the fulfilment of goals established in this Framework of Action and to assume a shared responsibility for their fulfilment" (p. 42).

In most countries in which social dialog and collective agreements with trade unions in the field of education exist, governments also enter into agreements and hold negotiating tables regarding educational policy with the participation of business sectors and religious groups. Examples of this are the national education councils that the OLPE has observed in the region. In the last decade, it has become clearer that the private sector is not interested in the privatization of the state, but rather is interested in commercializing this, that is, having the state buy services from the private sector.

The commercialization of education as protected by public-private partnerships

Partnerships in the education sector range from informal and tacit partnerships to formal and structured ones. Some partnerships are established as business relationships and others as supposed collaborative relationships, although these are also constituted as business opportunities.

The following table describes the types of public-private partnerships in education that can be found in Latin America.

Table 1. Types of public-private partnerships

Type of partnership	Example
Service provision/ Contracts	State or municipal purchase of educational management services, design of contracts, curricula, etc.
Design of educational policy	Business groups participate in decision-making structures at different levels for the design of educational policy.
Partnerships between institutions, municipalities, etc.	Students go to school in a different municipality and payments are made within or between municipalities.
International cooperation purchases services	An international cooperation agency hires an NGO to implement educational projects in public education institutions (teacher training, curriculum design, material design, etc.).
Scholarships	Private educational institutions receive payment from the state for each scholarship student they receive.
Voucher	Private educational institutions receive a payment in the form of the voucher.
Free market	The State co-finances the enrollment of low-cost private schools.
Use of digital technology and platforms	The state or municipal authority signs an agreement with a technology company to use an educational platform or educational technology under differentiated conditions (free, low-cost licenses, etc.).

Note. Own elaboration with input from the IDB and ECLAC.

Private companies in the management of public assets and services

Some of the most striking cases in the region with respect to profit in public-private partnerships in education include the projects promoted by the World Bank in Central America, particularly evident in the case of EDUCO; the model of Concession Schools in Colombia; the institutionalization of the purchase of permanent services with public funds from private foundations, as is the case of the Omar Dengo Foundation in Costa Rica; and the Ceibal Foundation in Uruguay.

Private and corporate profit in public-private partnerships in higher education

In higher education, attention should be paid to the PROUNI model in Brazil and the Ser Pilo Paga model in Colombia, which fall in the category of purchasing services from private individuals in the form of so-called scholarships shown in Table 1.

The public-private partnership model for higher education has found one of its main niches in Brazil. The Education for All (PROUNI) program was created by Law 11,096 in 2005.

The program financed the degrees of students in private universities, in whole or in part, using private funds. According to Traina and Calderón (2015), in the first five years of the program, private universities increased their enrollment by at least 473,000 students with publicly funded tuition fees for degrees at private universities. In 2010, private universities received 1,002,019 (one million, two thousand nineteen) new enrollments. Of this total of new enrollments, 47% were financed with public funds (Traina and Calderón, 2015, p. 92).

In 2016, the Brazilian Ministry of Education had transferred up to US$400 million for these “vouchers” at private universities.

Some emblematic cases of public-private partnerships in education

The UNESCO document states that private education is the option that ensures the inclusion of all those requiring access to education as a good, and, even more, as the alternative that solves the state's inability to guarantee inclusion and the right to education (p. 7).

One of the main promoters of multi-sectoral partnerships in education (MSP) is the group of private sector companies participating in educational policy, the Red Latinoamericana por la Educación (Latin American Network for Education, REDUCES). In 2018, this network organized the First Regional Meeting on Multi-Sectoral Partnerships in Education, with the participation of the Inter-American Development Bank (IDB). The Laboratory of Research and Innovation in Education for Latin America and the Caribbean (SUMMA) published a news item on its web page about this meeting, in which it reiterated the view of the private sector that public-private and multi-sectoral partnerships are necessary and that "the participation of the private sector, meanwhile, can be undertaken in different ways: provision of educational services in subsidized private schools, philanthropy and corporate social responsibility projects, among others." The post notes that "the great challenge is how to scale up these good initiatives" (SUMMA, June 18, 2018).

One of the members of REDUCA, the Mexicanos Primero business group, also calls for increased private participation in decisions on education. In the document Ahora es Cuando. Metas 2012-2024 (Now is When: Goals 2012-2024), the Mexicanos Primero business group proposes the establishment of co-responsibility for the achievement of goals (MP, 2012, p. 30), and calls for the drawing up of a regulatory model that allows the business sector to participate via educational businesses that offer services in evaluation processes, curriculum design, teacher training, etc.

This trend of the state acting as a public-private business is not going to stop, especially since ministries of education in the region are focusing on achieving standardized and quantitative results. Such results are the condition for obtaining funding from banks and have placed many of the decisions and actions to achieve such standardized and quantitative results in external hands.

El Salvador. The route of public-private partnerships designed by the World Bank

In 2021, the OLPE published the study on educational policy, *El Salvador: el impacto de la antipolítica educativa del Banco Mundial* (E*l Salvador: The impact of the World Bank's anti-education policy*, OLPE-EILA, 2021). This document analyzes the format known as the Education with Community Participation Program, (EDUCO for the initials in Spanish).

Between 1991 and 2018, the World Bank handed over $331 million in loans to the governments of El Salvador to fund educational reform. Almost all of these reforms repeated well-known processes: establishing a minimum competency-based curriculum, evaluating teachers and students, distributing funds according to performance, and continuing to implement parallel educational management structures outside the control of the Ministry of Education, proposals that come to represent an anti-educational policy.

EDUCO was proposed to supposedly be more agile in generating educational options for primary school than would be possible for the central government.

As described by the World Bank,

EDUCO is based on the creation, legalization and delivery of support to local organizations that involve parents (Community Associations for Education, ACE) that help to develop new education services in their communities. The Ministry of Education (MINED) transfers resources to the Community Associations for Education for the hiring of professionals and the purchasing of goods and services for their schools. (World Bank, 2004, p.1)

The Communal Associations for Education (ACE) were made up of parents, who, together with school directors, formed the School Governing Boards. This program started at the elementary level and included some coverage in secondary schooling in its final stage of implementation.

School Governing Boards included school principals, teachers, parents and students. The Ministry of Education directed funding to the ACEs and Governing Boards, but these were made up of parents without pedagogical skills, and in many cases nor did they have administrative tools. Despite this, they were granted the legal position to hire teachers and decide what kind of services and materials would be used in their communities in rural areas.

EDUCO allowed educational institutions to operate without the appropriate infrastructure, whether in commercial establishments or even in residential homes. In general, the EDUCO Program did not result in the strengthening of the education system in rural areas, but rather on the contrary, deepened the state vacuum in the rural territories affected by war (OLEP-EILA, 2021).

In 2005, a new World Bank loan for US$85 million was approved to finance the project Excellence and Innovation in Secondary Education (ÉXITO for the initials in Spanish), while in 2011, a loan of US$60 million was made for the Educational Quality Improvement Project.

It should be noted that the tendency to open up opportunities for private groups such as NGOs to provide educational services has not been eradicated. On the contrary, the *El Salvador Educado* (Educated El Salvador, PESE) Plan, implemented since 2016, proposed the strategy that universities and NGOs provide

> **pertinent, permanent and accredited ongoing training of teachers and directors in self-care, conflict transformation, a gender and inclusive approach, attention to diversity and tools to strengthen school leadership in educational institutions located in conflicted areas. (PESE, 2016, p.41)**

Costa Rica. The case of the Omar Dengo Foundation

In previous documents, the OLPE reviewed the case of the Omar Dengo Foundation (FOD for the initials in Spanish), a private non-profit institution founded in 1987 in Costa Rica when Francisco Antonio Pacheco was the Minister of Education.

The following is the information on the Foundation detailed in the OLPE report, *La política educativa en Costa Rica: gobernar mediante alianzas público-privadas* (Educational policy in Costa Rica: Governing through public-private partnerships, EILA, 2021). According to its website, the Omar Dengo Foundation was founded by business people and intellectuals who sought to develop and increase the quality of education through computer science and the application of new technologies within the Costa Rican educational process (FOD, n.d.). The OLPE has pointed out the fact that the FOD was registered in the month of June, and in August of that same year – that is, two months after being registered as a foundation – it was already being declared an entity of public interest in Executive Decree No.17731-J-H.

In 1988, during the administration of Minister Pacheco, the FOD was assigned responsibility for the Educational Informatics Program (PIE MEP-FOD) for preschool and 1st and 2nd cycles of basic general education (primary school level) in 57 public schools. **In 1997, the Ministry of Public Education** (MEP) outsourced the development of the 21st Century Educational Informatics Program to the FOD. Finally, in **2002**, Law No. 8207 was passed granting public utility status to the Educational Informatics Program, which was key to the exponential growth that the Omar Dengo Foundation would come to have.

Firstly, Article 2 of the Law authorizes the transfer of public funds to the FOD to "sustain, strengthen and expand the Educational Informatics Program". In addition, being declared a public utility established all kinds of tax exemptions for the assets acquired by the Omar Dengo Foundation for the implementation of the Educational Informatics Program (PRONIE for the acronym in Spanish), a program undertaken between 2002 and 2018.

In 2018, FOD and the Telefónica de España Foundation agreed that the latter, through the PROFUTURO project, would contribute up to US$1 million dollars for FOD projects, including both the purchase of technological equipment and the provision of professional development and close support to teachers in order to promote educational innovation.

As reviewed by the OLPE, the main problems identified in the evaluation of the PRONIE program included poor coordination with the Directorate of Technological Resources in Education (DRTE for the initials in Spanish). As described on the web page of the Education Boards of the Ministry of Public Education, the DRTE

> **is the technical body of the Ministry of Public Education responsible (...) for analyzing, studying, formulating, planning, advising, researching, evaluating and disseminating all aspects related to the management, experimentation and introduction of information and communication technologies to support the teaching-learning process in the classroom, in favor of teachers' work, as well as the use and appropriation of digital resources, to be developed under the "Educating for a new citizenship" approach. (Own translation, taken from the web page of the Boards of Education, MEP, 2022)**

Despite the existence of the DRTE and its mandate, the Omar Dengo Foundation also carries out functions such as teacher training in digital resources. In fact, the programs developed by the Foundation are aimed at teachers of all levels, with the FOD reporting up to 7000 users per year.

The Costa Rican Higher Council of Education and the legislative framework have thus repeatedly assigned the tasks of training and informatics to a private foundation, without requiring coordination with the Ministry of Education's Directorate of Technological Resources in Education.

This decision of the Higher Council of Education is why, in 2016, 0.7% of the MEP budget was allocated to the Omar Dengo Foundation (FOD), which represented about 16 billion Costa Rican colones for the National Educational Informatics Program (PRONIE MEP- FOD). With these public funds, the FOD bought computer equipment, as well as designing and implementing teacher training, developing pedagogical tools and certifying teaching staff. In 2018 alone, the approved purchase plan for the PRONIE support center was US$2,351,000 (EILA, 2021).

In this same year, 2018, the Ministry of Public Education (MEP) announced that it would launch the Bicentennial Educational Network project. This project proposed the connection of 4659 public education institutions in the country along with the MEP offices via a single broadband network using optical fiber at a speed of more than 10 megabytes. The Bicentennial Network was to be financed by the MEP and by the National Telecommunications Fund (FONATEL), with the institutional support of the Ministry of Science, Technology and Telecommunications (MICITT), and would be partially implemented by the FOD.

However, in the month of October 2021, via official letter DFOE-CAP-0684 (No. 15428), the Office of the Comptroller General of the Republic ordered the MEP to directly assume the competencies with regards to the Bicentennial Educational Network, suspending the actions that the FOD was undertaking in this regard and immediately paralyzing the Bicentennial Educational Network (REB for the initials in Spanish) to connect schools" (CGR, 2021, p.1).

The Comptroller's letter pointed out that in 2004 the Ministry of Public Education hired services of connectivity, technology and internet for educational institutions and its administrative dependencies in various areas of the country from the Costa Rican Electricity Institute (ICE), a public entity (CGR, 2021, p.1). Furthermore, it noted that in 2013 and 2017, addenda to this contract were concluded to implement a short-term plan in order to increase bandwidth and to guarantee connectivity for 3235 educational institutions via "info-communications solutions, the ICE Datacenter and Managed Services" (CGR, 2021, p.2).

In its letter, the Comptroller's Office drew attention to the fact that with the contract between the MEP and the ICE in force, the MEP requested the FOD to analyze the feasibility of the Foundation managing the REB and being in charge of executing all the necessary actions for the design of the service management model, the contracting process thereof, its being put into operation and, in general, the sustainability model to be employed (CGR, 2021, p.4). After this, the MEP and the FOD signed an addendum to their Framework Cooperation Agreement, which aimed to "establish the telecommunications infrastructure necessary to the stable foundation of a national network between the MEP's educational institutions and dependencies" and to build "a technological institutional service that will provide a broadband network for educational institutions and other dependencies attached to the MEP [...] Its design will be based on the proposal of the company SPC International" (own translation, CGR, 2021, p.7).

The Comptroller's Office pointed out that when the MEP assigned tasks to the FOD that the Ministry itself should undertake, it generated a "vacuum" with respect to the responsibilities that were assigned to the public institution. It further recalled that it is the Directorate of Curriculum Development that is "responsible for the development of innovative projects that incorporate the use of information and communication technologies in curriculum development" (own translation, CGR, 2021, p.17).

The Comptroller's report concludes that there was

> **a null participation of the Ministry in the planning, direction, control, coordination, setting of conditions, performance indicators and other aspects regarding the definition, management and execution of the REB project, since these activities and responsibilities were transferred to the Foundation as if it were the MEP itself. (own translation, CGR, 2021, p.17)**

It added that between January 2020 and August 2021, the Ministry transferred public resources amounting to approximately US$20 million dollars or 12.5 billion Costa Rican colones (CGR, 2021, p.21), but that it did not “define the basic principles for the conceptualization and development of the Educational Network” and that its action was limited to the “reception and review of documentation” (CGR, 2021, p.17).

The allegations made in the Comptroller General’s letter are not minor, given that it reveals that despite the ability of a public institution such as the ICE to provide a service to the Ministry of Education, ultimately the Ministry chose to request the services of a private actor such as the FOD, which, in turn, subcontracted an international company, so generating several levels of business relationships.

In the case of Costa Rica, although the Ministry of Education (MEP) has both an extensive structure with a presence throughout the country and a robust budget, the practice of acting in public-private partnerships increases each year.

The same OLPE report in which the case of the FOD is analyzed details a joint publication by the MEP in 2016, in which together with the Fundación para la Sostenibilidad y la Equidad (Foundation for Sustainability and Equity, ALIARSE), BAC/CREDOMATIC and the Organization of Ibero-American States for Education, Science and Culture (OEI), a public-private partnership was commenced to develop a protocol for the formation of cooperation and partnership relationships for the MEP.

As a result of this alliance, the Ministry of Public Education's *Guía de Formación de Alianzas Público privadas para el desarrollo del Ministerio de Educación Pública* (Guide to the Formation of Public-Private Partnerships for Development, MEP, 2018) was published in 2018. This guide advocates in favor of the existence of partnerships, given its claims that neither the state alone nor a single organization, whether public or private, has the capacity to unilaterally solve a problem, and therefore public-private partnerships for Development (PPPD) in the education sector allow the strengthening of strategic competencies and the improvement of educational quality.

PPPs are a “cooperative link for co-responsible interaction between public institutions and private organizations, in which the parties share resources, competencies and risks” (own translation, MEP, 2018, p. 23). The guide is committed to continuing the PRONIE and Educ@tico programs, and others of this type (MEP, 2018, p. 21), and to promote collaborations focused on the development of entrepreneurial capacity and the learning of second languages. The parties to this alliance suggest that, in part or in whole, cooperative funding for the education sector can be used for the incorporation of Information and Communication Technologies (ICT) in the educational process, for equipment and for the provision of teaching resources.

Colombia. The case of concession schools

In the case of Colombia, the OLPE analyzed the role of Law 715 in promoting public-private partnerships and the purchase of private services with public funds. Specifically, Article 27 empowers municipalities to “hire the provision of the service from state or non-state entities, which provide educational services of recognized trajectory and suitability, with due accreditation, and with resources from the General Participation System” (p. 22). The decision as to whom to hire is left to the municipalities, which additionally are empowered by Article 8 of this Law to contribute their own resources when the costs of the service exceed the item available in the National Participation System (p. 8).

This power to hire non-state services, in combination with Article 27, can generate speculation and a tendency to charge surcharges by private groups. Specifically, Article 27 allows non-state entities to establish costs per student higher than those defined by the national government, in which case, municipalities must pay extra costs from their own funds. This is regulated as follows:

> **When municipalities or districts contract the provision of educational services from non-state entities under the General Participation System, the value of the provision of the service financed with these system resources may not exceed the per-student allowance defined by the nation. When the cost exceeds this, the surplus is paid for with the territorial entity’s own resources, with the restrictions indicated in this law. (own translation, Law 715, Art. 27, p. 22)**

The OLPE's 2021 study shows the Colombian state has deeply entrenched the practice of public-private partnerships in the provision of public services. Public education is no exception. One of the main forms of the commercialization of education found in Colombia is the purchase of services from private groups with public funds.

There are three educational institution models operating in Colombia. The first is that of public institutions, financed and managed entirely by the State. Teachers in public schools must pass a probity test to hold their position. Another model is the private one, funded by charging each student fees. The third is the model of educational institutions under concession. These concession schools are founded by individuals from private backgrounds and receive government grants. Each school selects its teachers according to its own criteria.

The main argument of the government to support this model is the reduction of administrative burdens for the public sector, so reducing operational costs. Each concession school has an enrollment of approximately nine hundred students. The sum of all students enrolled in this model reaches about 40,000 young people (Pérez, 2014).

In the case of public education, the concession model has been extended to the organization and management, in whole or in part, of the provision of education. This is an institutionalized process within the Colombian Ministry of National Education (MEN for the initials in Spanish), which has promoted the participation of NGOs, religious groups, financial groups and private groups in the administration of public schools.

The concession contract is signed for fifteen years as a way to make the project attractive to concessionaires and to avoid constant change from one pedagogical project to another. The schools are built with a capacity for between 800 and 1200 students. The average total cost of each school is US$2.5 million, which includes land, construction and equipment (IDB, 2002).

Concession schools receive a payment for each student enrolled. The concession schools program began in 1999. At that time, each institution received approximately US$ 300 (three hundred dollars) per student per year, equivalent to 950,000 Colombian pesos. In 2014, the annual amount paid per student was US$650 (six hundred and fifty dollars), equivalent to 2,050,718 Colombian pesos.

The cost of administrative, teaching and managerial work is also lower in concession schools. While in public institutions where teachers work for forty hours per week, a teacher requires an investment of US$ 650, equivalent to 2,027,264 Colombian pesos; in concession schools, this cost drops to US$ 356, equivalent to 1,121,742 Colombian pesos. Any private group operating schools that are well qualified by the ICFES can present itself as a bidder in the tendering processes for the administration of public schools under concession.

According to the contracts in force until 2026, the congregations of faith, specifically Salesian Consortium, Unión Temporal Compañía de Jesús – Fé y Alegría, and the Marist Brothers are the main administrators of concession schools; that is, private religious groups benefit from a significant share of public funds.

For the period 2018-2026, the Ministry of Education of Bogotá will deliver a total of US$256,624,857 (two hundred and fifty-six million, six hundred and twenty-four thousand, eight hundred fifty-seven dollars), equivalent to $817 billion Colombian pesos, to nine private groups that will manage twenty-two schools (OLPE-IEAL, 2021).

Uruguay: An experiment aiming at regional up scaling.

This section presents part of the study entitled *La política educativa en Uruguay: experimentos y alianzas empresariales para lucrar* (Educational policy in Uruguay: Experiments and business partnerships for profit), published by the Latin American Observatory of Educational Policies - OLPE (EILA, 2021).

This publication reviews how the Ceibal Foundation, which operates as a private research center, has the purpose of "guiding the Ceibal Plan and other national and international educational actors on issues related to teaching and learning with regards to technology, both inside and outside the formal education system" (own translation, FC, 2019). This means that the Ceibal Foundation was not limited to acting within the framework of the Ceibal Plan, but offers a wide range of educational services in the field of research and the digitalization of education.

The Foundation receives donations from the Ceibal Center for the Support of Education of Childhood and Adolescence, an entity dependent on the Presidency of the Republic of Uruguay; that is, the Foundation receives public funds.

In the period between March 2016 and March 2017, the Foundation received US$471,119 (corresponding to 17,520,247 Uruguayan pesos at the 2019 exchange rate) from the Ceibal Center for the Support and Education of Childhood and Adolescence, representing almost half a million dollars in public funds.

Additionally, during that period, the Foundation received donations for $955,315, mostly from Microsoft Corporation, with donations of US$599,125 and $318,710. Similarly, Stiftelsen Cognitive Enhancement donated US$318,710 (FC, 2017).

The funds donated by Microsoft Corporation were used to finance the project *Rúbrica de evaluación de competencias en 360 grados (Rubric of 360-degree competency assessment*), a service provided by the company Red Global de Aprendizaje. The funds donated by Stiftelsen Cognitive Enhancement were used to finance the Cognition Matters project in Uruguay.

The Ceibal Foundation additionally receives income from services provided to third parties (FC, 2017). For example, the Foundation earned approximately US$17,000 for advising the State of Puebla's Secretariat of Public Education on the framework of the program for the inclusion of technology in public preschools in the State of Puebla (Mexico).

In 2018, the Foundation reports having received a total of US$26,498,949 from the Ceibal Center (public funds). In addition, it reports a donation of US$6,108,986 from the International Development Research Center (IDRC) to undertake the project *Mejorando la educación digital en América Latina* (Improving digital education in Latin America).

The same 2018 report details the sale of services abroad to undertake research on the perception of digital citizenship for students, teachers and parents in Mexico, for a total of US$301,187 (FC, 2019, p. 21).

Broadly speaking, the foundation's income can be summarized in an increase from US$471,119 from public funds in the 2017 accounting period to a total of US$26,498,949 from public funds in the 2018 accounting period. The foundation does not pay taxes on all this income, because in 2015 it entered the register of Cultural and Educational Institutions exempt from taxes in accordance with the provisions of Article 69 of the Constitution and Article 448 of Law No. 16, 226.

For its part, Global de Aprendizajes is a company that sells a standardized pedagogical model with support components to schools and educational authorities, as well selling as teacher training, digital support for students, and evaluation processes. This company is one of the main service providers of the Ceibal Plan. In Latin America, this company has a presence only in Uruguay (OLPE-EILA, 2021).

Red Global de Aprendizajes operates in Uruguay as a team of specialists hired under the framework of the Ceibal Plan, which coordinates with a group of referents from the National Administration of Public Education (ANEP for the initials in Spanish) (RGA). This company seeks to reproduce in different countries a single pedagogical model called the Global Partnership New Pedagogies for Deep Learning (NPDL), which replaces the concept of teaching with that of private "moderation" (NPDL, 2019) and sees teachers as "activators" (RGA, 2019, p.20), coinciding with the idea of "facilitators" promoted by other private actors and NGOs.

Global Partnership's web page reports two models for participating in its network. The first of these is to form a cluster in the country that brings together at least one hundred educational institutions. A cluster is a group of companies and/or private and public actors that associate in different productive business relationships, either for geographical reasons, or because they have common interests, and by associating as a sector, they benefit in terms of profit and/or growth (ILO, 2016). A cluster of one hundred schools along with the related indefinite number of professionals, consultants and companies that wish to do business using Global Network materials and methodologies must pay US$200,000 (two hundred thousand dollars) per year, a total of US$2,000 (two thousand dollars) per educational institution.

That is to say, Red Global de Aprendizaje, funded by the Ceibal Plan, also attacks the logic of education as a system, especially attacking the right to decent work conditions and job stability for teachers. This is not surprising on observing how, in Red Global de Aprendizaje's documentation, teachers are seen as individuals who simply implement templates and models that have been previously designed by the network. In fact, the 2019 booklet offers a "design rubric plus guiding questions to organize discussion" (p. 92) both inside the classroom and with peers in the educational institution.

The initiative proposes a recipe for a pedagogical model aimed at the autonomous operation of educational institutions, in which each institution hires the teachers it needs, even possibly reducing the number of teachers on staff to hire services from a company – such as Red Global de Aprendizajes – to provide supposed support, placing materials and exercises at their disposal through their digital platform.

In 2018, Red Global de Aprendizaje carried out activities in 395 educational institutions in Uruguay: 244 of these were at the early childhood and primary education level, 72 were secondary education schools, 59 technical and vocational education providers, and 19 institutions belonging to the Consejo de Formación en Educación (Education Training Council). That proposed by Red Global de los Aprendizajes aims at global curriculum reform (RGA, 2018, p. 18). The company created a rubric called institutional contribution in which the data with respect to progress in this area is taken. The name of the rubric suggests that it refers to the school's contribution to a global measurement process (NPDL, 2019, p. 20).

Deep Learning design is a pedagogical model that works like a franchise. Red Global de Aprendizaje managed to design a standardized product, which is somewhat gimmicky, and which ultimately may be very attractive to investors and multilateral development banks because it proposes a pre-designed package that is easy to repeat in other areas, is easy (being simplistic and banal) to measure, and equally easy to sell (OLPE-IEAL, 2021).

In addition to this, the document *20 razones para decir NO a las APP* (20 reasons to say NO to PPPs), published by the Federación Nacional de Profesores de Educación Secundaria (National Federation of Secondary School Teachers), suggests that in the cases of private for-profit groups and religious companies that manage schools:

+ Public funding for education, that has been part of the hard-won achievements of social struggle, ends up fattening the accounts of private for-profit groups, foundations, NGOs and religious groups
+ Many contracts guarantee that the private party (NGO, church, transnational concessionaire) sets the working hours and conditions for teaching staff; that is, the working conditions of these staff are no longer covered by collective bargaining.
+ In the cases of educational institutions built and managed by private groups, construction sites are on public land. Even so, the facilities are to be considered private as long as the contract with the private group is in force.
+ Some contracts establish the right of the private concessionaire to define the use of the facilities and to use these for non-educational activities, through a concept called mixed use of the campus.
+ Some contracts may negatively affect the right of staff to strike because the private party has the right to define the use of the facilities and may prohibit the use of the educational establishment for tasks specific to strikes.
+ If the contract is terminated early, the state must pay compensation to private parties, which implies contributing more public funds to private profit-making groups.
+ Competition is generated that favors educational institutions within PPPs, because these have items defined for "maintenance, equipment, cleaning and safety, further fragmenting the educational system" (own translation, FENAPES, 2021, p. 2-8).

First conclusions

It is false that public-private partnerships are merely technical processes that are free of ideological positions. This model is fed by the neoliberal ideological position that attacks the state, considering that this should act as a business entity seeking profit and efficiency, when, in reality, the state has the task of guaranteeing both rights and holding the financial resources to do this.

Public-private partnerships are a tool for private control over state decision-making, not only in terms of the provision of public services, but also in terms of the dynamics of decision-making and determination of the legitimacy of different actors.

PPPs establish a new power dynamic to control state decisions and to make money through private business networks with the logistic of incentives and competitiveness between private sector actors, while using public funds.

In this sense, the private sector is interested in drawing close to the state and public institutions in order to access decision-making levels, influence public policy, do business through the sale of services, access tax incentives and guarantee new business in the future.

In 2020 and 2021, the Latin American Observatory of Educational Policies (OLPE), studied the behavior of educational policy in eleven countries in the region. National education councils were observed to operate in at least ten of these. Such councils function as supra-legislative forums that define educational public policy. Said policy frequently contradicts or violates the provisions of national education laws. These contradictions may include examples such as a national education council promoting a plan for teacher evaluation linked to a system of incentives or bonuses, etc., when the national law with respect to education protects teachers' job stability.

These national education councils include the participation of private business sectors, international non-governmental organizations (NGOs), religious groups selling educational services and, on some occasions, trade union representatives.

In at least ten countries, business sector organizations have plans to reform educational policies, including plans to change teaching degrees. In Uruguay, Paraguay, Peru and the Dominican Republic, there are publications put out by the business sector that explain reforms to teaching degrees. In at least four countries there has been active lobbying by the business sector against the collection of union fees through the Ministry of Education. The sale of permanent services in education is enabled by a state model that acts within public-private partnerships and, in turn, nourishes these.

Since the declaration of the pandemic in March 2020, in Latin America two persistent and deepening trends in public education are observable. Firstly, in the modalities of online education, an increase occurred in the participation of international and transnational organizations and corporations providing services and platforms for virtual classes, in most cases without agreements in place nor the participation of teachers in the design or planning thereof. Secondly, there is an increasing tendency towards the participation of the private business sector, international financial institutions and transnational NGOs in management and decision-making regarding educational policy.

The roles of the United Nations and of multilateral financial organizations such as the IDB and the World Bank in promoting public-private partnerships have a great weight, and end up obscuring the role of the state. On the one hand, private actors are encouraged to take up a central role in the provision of public services, including in the field of education, while at the same time, the state is criticized for the results of these services.

Finally, with the call to attract more private, philanthropic and speculative investment resources to the countries of the Global South, the risk of putting control of public assets and services in the hands of private actors is growing, as those financing initiatives for the 2030 Agenda seek participation in decision-making and policy definition.

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