



LIBERTAD Y DESARROLLO

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# SCHOOL SYSTEM REFORM: WRONG DIAGNOSIS AND INSTRUMENTS

- The government, based on ideological rather than empirical arguments, aims at bringing up a reform based on a wrong diagnosis lacking a rigorous evaluation concerning its possible impacts.
- The bill assumes that the school system does not need the contribution of new actors to make progress, and establishes a ceiling fixed by the already existing ones.
- Replacing the current admission criteria –which depend on each institution- by other defined by the law, means to overlook the legitimate differences among students, and deprive them from receiving the education they require according to their needs and preferences.
- The Chilean school system is among those that are improving the most in the world. Thanks to this, our students are leading the region. Instead of carrying out drastic reforms that destroy the bases of our school system, we should build on top of them.

## FURTHER INFORMATION:

<http://www.lyd.com/centro-de-prensa/noticias/2014/11/investigadores-de-lyd-exponen-en-comision-de-educacion-del-senado-sobre-proyecto-de-reforma-educacional/>

<http://www.lyd.org/centro-de-prensa/destacados/2014/11/debate-sobre-la-educacion/>

Last Tuesday December 9<sup>th</sup>, the Education Commission of the Senate approved the idea of legislating the bill that eliminates the subsidy allocated to students of for-profit schools, substitutes the current admission systems by another centralized in the Ministry of Education (MINEDUC, in Spanish), and forbids the obligatory nature of the parents' shared financing or copayment.

The government, based on ideological rather than empirical arguments, aims at bringing up a reform based on a wrong diagnosis lacking a rigorous evaluation concerning its possible impacts. The initiative does not deal with the aspects that should actually be discussed to improve the quality of education and the families' opportunities: it says nothing about the teachers or the need to decentralize the technical-pedagogical decisions in the schools, nor does it mention the elements contributing to improve the school environment and the factors having a direct impact on learning. Instead, it has adopted the slogans of "fee-free", "end of profit" and "end of selection", without considering their negative consequences on the quality and diversity of the school system.

## WRONG DIAGNOSIS

The bill, which will now enter a discuss about its particular features, is built on a series of hypothesis lacking support, which not even the Minister of Education has been able to defend.

In relation to “profit”, it assumes that the existence of for-profit schools is negative for the school system. However, data show something different: there are for-profit schools that deliver quality education and are a real alternative for families, contributing with the diversity of the school system. As shown in Table 1, they look after 37% of the school students (without considering private paid schools) and 32% of the students qualified as priority according to the SEP (Preferential School Subsidy). Studies actually show that, on average, for-profit schools have a better performance than municipal ones (Zubizarreta, Rosenbaum and Paredes 2014; Elacqua 2008, Chumacero and Paredes 2008).

### FOR-PROFIT SCHOOLS RECEIVE 32% OF PRIORITY STUDENTS

**Table 1: Number of institutions, total enrolment and priority students, by type**

Type of School <sup>2,3</sup>	Institutions	Students	Vulnerable Students <sup>1</sup>
Municipal	5,255	1,304,839	875,823
Private Subsidized	3,831	1,720,143	839,356
Non-profit	1,016	611,929	286,314
For profit	2,815	1,108,214	553,042
<b>Total</b>	<b>9,086</b>	<b>3,024,982</b>	<b>1,715,179</b>

Source: Prepared by L&D, based on enrolment and SEP data of the Mineduc.

<sup>1</sup> Vulnerable students are those defined as priority students by the SEP (approx. the poorest 40%).

<sup>2</sup> The classification of for-profit and non-profit was built based on the *RUT* (Rol Único Tributario - taxpayer ID number) of the school administrators (*sostenedor*).

<sup>3</sup> It only considers school education institutions, that is, it excludes institutions which offer just preschool or special education.

Second, the bill assumes that the school system does not need the contribution of new actors to make progress and establishes a ceiling fixed by the already existing ones. It is evident that for our system to prosper, we need the collaboration and commitment of new actors; profit –the possibility of obtaining earnings from this activity and thus make a living from it- serves to attract more and better professionals towards education.

Third, the bill assumes that profit means a loss of resources for the system, even though the MINEDUC has not been able to prove it. It is unacceptable that a government who wants to forbid

surplus withdrawals by administrators, does not rely on trustworthy data on how much this surplus is today. The fact is that, in a context where resources per students in Chile are equal to less than half of the average of the best education systems around the world, it seems that there is not much space to have earnings. But, what will evidently become a waste, is the bypassing of resources to the purchase of properties and administrative tasks in order to comply with the new requirements imposed by the bill, instead of allocating them to improve the educational processes.

Regarding the end of copayment, the bill assumes that shared financing is responsible for not having enough inclusion in the school system. However, this is not supported by accurate evidence. On the contrary, works dealing with this matter suggest that there are other factors contributing to the socioeconomic segmentation of the school system, as for example, demand-related factors (Gallego and Hernando 2008; Arteaga, Paredes and Paredes 2013). Schools with copayment incorporate families of different income levels, more than municipal schools do (Arzola and Troncoso 2013), probably due to the existence of scholarships for the most vulnerable 15% and for the SEP students. Furthermore, there is evidence showing that a positive relationship between copayment and quality, measured in terms of the students' learning capacity (SIMCE test) and the characteristics of the school environment (Paredes, Volante, Zubizarreta and Opazo 2013).

And in relation to the admission process, the government has stated that it will eliminate selection, since it threatens the free choice of the families. Nevertheless, what this bill really does is to replace the current admission criteria -which depend on each institution- by other defined by the law: being brother/sister of a student or son/daughter of a teacher, complying with 15% of vulnerable students, or simply at random. In the first place, we must say that these criteria are neither more legitimate nor fairer than the current ones.

Second, the existence of a single selection system is harmful for the child's development, inasmuch as it ignores the legitimate differences that he may have with the rest of the students, and it deprives him from receiving the education he requires according to his needs and preferences, and the possibility of attending a school that shares certain characteristics and promotes the development of specific capacities that require the commitment and disposition of the families. Instead, it replaces it by a uniform bill for all.

And third, today our legislation already forbids arbitrary discrimination, which is not the same as the selection by objective criteria. Likewise, our country does not have a highly selective school system; data show that it is one of the least selective in the OECD (OECD 2012), and 93% of the parents declare that their child was accepted in the school of their preference (CEP Survey 2006,

prior to SEP law). In the past decades, birth rate has continuously dropped, there are increasingly less children, so schools have a quite difficult time filling their vacancies.

### **AN IMPROVING SYSTEM**

So far, we have analyzed how the government has made a wrong diagnosis for choosing the main instruments of the school system reform. But there is also solid evidence that Chile, although still below the world's best educational systems, is a continuously improving system, a fact that has actually allowed it to consolidate as the leader of the region.

The results of the Third Regional Comparative and Explanatory Study (TERCE) were released last week; the test was taken by 14 Latin American countries. Chile obtained the first place in two evaluated levels (3<sup>rd</sup> and 6<sup>th</sup> grade), and it also reported significant score increases in relation to the previous evaluation in 2006. In 3<sup>rd</sup> grade, Chile got 571 points in Reading and 582 points in Math. And in 6<sup>th</sup> grade, Chilean students averaged 557 points in Reading and 580.5 in Math. In the latter area Chile also stands out for the strong improvement achieved in relation to 2006: in 3<sup>rd</sup> grade, the score increased 53 points (2<sup>nd</sup> best) and in 6<sup>th</sup> grade, 63 points (first).

In this context, it should also be pointed out that there is a still greater achievement when considering the following data: the coverage of primary education in our country is one of the highest among the countries being compared to. Chile does not only has better results than Latin American countries, but it is also capable of accepting and delivering quality education to the most vulnerable students.

These results confirm what our country has been showing in other evaluations. In the PISA test, which evaluates the countries belonging to the OECD and its partners, Chile was identified as one of the countries that most improved their scores (it increased almost 40 points in the Reading test between 2000 and 2009). Likewise, the OECD reported a drop in the gaps: between 2000 and 2009, the difference between the percentile 90 and the percentile 10 in Reading reduced nearly 35 points, and the performance gap between students of the high and low socioeconomic level was reduced by more than 15 points (MINEUC 2013).

Finally, the TIMSS test was taken in 2011 by students of 60 different educational systems in the world; Chile was the only South American country and, together with Honduras, the only Latin American ones to participate. In the same way as in the PISA test, Chile was one of the countries that evidenced the biggest increases in relation to the prior evaluation in 2003.

The above shows that the Chilean school system is one of the countries that are most improving around the world. Thanks to this, our students are leading the region. Instead of carrying out



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drastic reforms that destroy the bases of our school system, as the current government pretends, we should recognize the progresses and build on top of them, always in the light of an accurate diagnosis.

### CONCLUSION

The government and Parliament members of the *Nueva Mayoría* (New Majority) continue with the swift proceeding of an Educational Reform Bill based on a wrong diagnosis, which aims at implementing instruments that more than benefiting, will end up impairing our students. This bill does neither recognize the continuous progress shown by our education system, compared with other countries.

The stubbornness of the government while focusing their efforts and legislative capacity in the bill under proceeding, will prevent us from improving the really important matters, such as improving the quality of the teachers, the technical-pedagogical management and the elements that impact the learning of the students in the classroom.