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11. PERUVIAN EDUCATIONAL DEVELOPMENT

Education means many things to many people. Similarly, policy has many guises. To frame our topic, therefore, several contextual comments seem appropriate and necessary at the outset.[1]

First, in this paper *education is not regarded as synonymous with schooling.* To equate education with schooling would be to narrow our analytical perspective and our options unnecessarily. Past United States educational assistance programs have emphasized schooling; consequently, schooling will be emphasized in this exposition. However, the reader should remain open to the very real possibility that other forms of education outside the traditional system of schooling are more closely related to policy success or failure than is schooling.

Second, *education will not be presented as a cure-all.* There is a current tendency to regard education as a kind of miracle drug and to disregard neutral or negative results of past educational policies.

[1] Although such cautionary comments about schooling and about the impact of investments in education will seem obvious or commonplace to some readers, I believe they must be made at a time when international organizations, foundations, and the United States government all seem to be particularly disposed toward investment in education as one of the most beneficial and/or "safest" forms of assistance.

In our policy appraisal, let us try to avoid thinking about education as unquestionably "good." Let us make explicit the fact that the more-the-better is only one orientation to educational investment. (Miracle drugs can be taken for the wrong disease with unfortunate results, or they can be taken in overdoses.) Let us recognize that it may be as naive in the present to predict dramatic economic and social results from reforms in education as it was in the past to expect dramatic economic growth from an infusion of physical capital without associated inputs of human capital or without changes in values and attitudes.

Third, *education of all kinds takes place within a broad social context*. Thus, policy decisions pertaining to agriculture, taxation, and industrial organization all have an impact on education. Sometimes the impact is direct; more often than not it is very indirect. Consider, for instance, the indirect influence of a new mining or industrial law on education in Peru and on North American involvement in Peruvian education. To the extent that the law influences technologies, it will influence the type of training that industry will need for its labor force and the type of training that the industry itself will be willing to offer its workers. To the extent that North American firms opt to leave Peru or are forced out, a potential source of training will have been eliminated. Or, consider the possibility that minimum-wage legislation could lead to substitution of machines for men, which would also lead to investment by industry in upgrading skill levels of the work force. There are thousands of linkages that might be made. It is not inconceivable, therefore, that policy decisions in other areas will have a greater effect on education than will educational policy decisions.

Fourth, as we approach the discussion of policy alternatives, we should be explicitly aware that *education is expected to serve several (and often competing) goals simultaneously*. This is a critical point in our discussion: the fact that education serves multiple goals can produce conflict (if goals do not overlap) or can provide a pleasant meeting ground for policy makers who support similar investments but for different reasons.

In the Peruvian Development Plan (1967–1970) for instance, we note that education should be directed (1) toward increasing production and productivity, (2) toward a better distribution of income, (3) toward an appropriate occupational distribution (presumably tied to 1 or 2), and (4) toward reducing vulnerability from abroad.[2] The goal of efficiency implied by 1 may conflict with the equity goal implied by 2. Number 4, which might be relabeled as a goal of independence or freedom or self-determination, may require sacrificing gains in either efficiency or equity or both, at least in the short run.[3] To further complicate the picture, education in the form of schooling is looked upon as a natural right, as a means, if not *the* main means of transmitting culture and as the vehicle for integrating marginal groups into the dominant culture. In addition, education acts to both enhance and to deter social mobility.

As educational programs are developed, it is difficult enough to balance conflicting goals or to set priorities intranationally. But when options are significantly influenced by external forces as well, the task may become even more complicated depending upon the degree to which goals and priorities of the external influence correspond to those established internally.

In the past decade, Peru and the United States have found their primary meeting ground in a commitment to increasing efficiency and to economic growth. Political and economic redistributional goals of the Alliance for Progress were also endorsed by both nations but were probably taken more seriously by North Americans charged with carrying out the intent of the Alliance than by Peruvian leaders (in spite of Belaúnde's local elections). Ever present, however, were competing goals such as the protection of U.S. property abroad, which, though missing from official lists of U.S. policy considerations, have served on occasion as the fulcrum for U.S. foreign assistance policy. The Peruvian government did not mount an effective challenge to the United States's more blatantly self-interested uses of foreign assistance. That has changed.[4]

Although economic growth has not been discarded as a goal by the present Peruvian government, it has been muted—at least in

[2] República del Perú, Instituto Nacional de Planificación, *El plan de desarrollo, 1967–1970* (Lima: Instituto Nacional de Planificación, 1967), pp. 11–47.

[3] For an excellent statement of conflicting goals and their implications, see C. Arnold Anderson, "The Social Context of Educational Planning" (Paris: International Institute for Educational Planning, 1967).

[4] Consider, for instance, the leading role of Peru in the Viña del Mar declaration as well as the standoff between Washington and Lima over IPC and the fishing issues.

the short run—in order to emphasize self-determination and redistribution.[5] Freedom from external domination is desired for its own sake, but it is also useful as the present government attempts to build a viable and lasting nationalism. Furthermore, the Peruvian government, in emphasizing independence, adheres to the position that "domination" is a major impediment to "true" economic growth, an alternative to the view most commonly accepted within the North American community.[6]

Conflicting goals must be taken seriously, but the tenuous nature of both North American and Peruvian goals is easily illustrated by noting obvious contradictions as each government acts out policies based on the goals. While the United States, under the Alliance for Progress, strongly endorsed policies to promote greater social equality and a redistribution of power within Peru, the same principle did not seem to apply at an international level to reducing inequalities among nations. The United States retained an extremely paternalistic posture toward most developing nations, including Peru, and was not unwilling to use power politics when pressed. On the Peruvian side, while the military is pressing for independence and freedom of action vis-à-vis other nations, it carries the burden of having taken and retained power at home by force (or the threat of force). Such obvious contradictions will continue to undermine "development" efforts and to complicate the dialogue between nations.

Finally, I should make clear that simply by discussing U.S. policy toward education in Peru I am not assuming the United States should or has a right to influence priorities guiding allocation of resources to and within Peruvian education. That is an internal matter. But the fact remains that *by making resources available in varying amounts, under varying conditions, for selected programs, a force has been and is exerted on Peruvian educational policy from abroad.* Our task is to examine that force and to try to anticipate influences that alternative policies might have in the future. In that effort, attention must be given to the question "who controls decisions?"

[5] See, for instance, the statement by General Francisco Morales Bermúdez, Peruvian minister of economy and finance at the annual meeting of the Inter-American Development Bank, 1970. Reported by J. N. Goodsell in *The Christian Science Monitor*, April 25, 1970, p. 14.

[6] For one treatment of the theory of domination, see Fernando H. Cardoso y Enzo Faletto, "Dependencia y desarrollo en América Latina" (Mexico: Siglo XXI Editores S.A., 1969). For application to the Peruvian situation, see Julio Cotler, "La mecánica de la dominación interna y del cambio social en el Perú," in *Perú Problema* (Lima: Moncloa, 1968).

With the above in mind, let us turn to an overview of education in Peru and of U.S. involvement in Peruvian education, past and present. As an organizational device, let us consider U.S. educational assistance in the periods 1909–1924, 1944–1962, 1963–1968, and 1968 to the present. In the overview emphasis will be placed on U.S. government programs. Special attention will be given to higher education, in part because the field of education is so broad that it is unmanageable, in part because the Peruvian government expressed interest in higher education when topics were being considered for the Peru Study Project, and in part because my own interests currently incline in that direction.

Peruvian Education and U.S. Policy—Past and Present[7]

1909–1924

Direct United States involvement in developing the Peruvian educational system dates from 1909, when Leguia called in North American educators to write and oversee implementation of a Peruvian educational law. It is doubtful that the United States had at that time anything that might be labeled a "policy" toward involvement in Peruvian affairs in general or toward involvement in Peruvian education. The apparatus of modern technical assistance did not exist, the preoccupation with hemispheric defense was not present, and the term "cold war" had not been coined.

From 1909 to 1912 and again from 1919 to 1924, a North American team of Protestant, mostly non-Spanish-speaking educators worked as administrative officers in the Ministry of Education. The highly visible team (at peak, twenty-four members) was given a strong hand by Leguia but encountered considerable resistance

[7] I am deeply indebted to Rolland Paulston for his assistance in developing this section of the paper. The section draws heavily from his "United States Educational Intervention in Peru, 1909–1968," a chapter in his forthcoming book. For a more detailed and documented history, the reader should consult Rolland G. Paulston, *Society, Schools, and Progress in Peru* (Oxford: Pergamon Press, forthcoming, spring 1971). Interpretations and error are, of course, my responsibility.

from Ministry officials whose positions were threatened, from the church, which was not ready to accept such institutions as coeducation and sex education, from the press, and from political figures. North American efforts to reform Peruvian education along North American lines were effectively constrained and little of a lasting nature was accomplished. From the early experience, we see a need for support below the presidential level and for support from outside as well as inside the educational establishment if advice about reform is to be accepted. Furthermore, we can point, as others have done, to the ineffective policy of imposing U.S. institutions on other nations. Finally, we are made painfully aware of the problems caused by cultural insensitivity among advisers.

1944–1962

From 1944 to 1962, the United States again became enmeshed in Peruvian education, principally through SECPANE (Servicio Cooperativo Peruano-Norteamericano de Educación), a Point IV and ICA technical assistance program. As such, the program was related to stated policy goals of Point IV. My impression is that the United States was much more active in seeking involvement than previously, largely stimulated first by immediate concern for hemispheric defense growing from World War II and later by anti-communist fears.

During the eighteen years of SECPANE tenure, U.S. government policy seems to have been one of nudging gently in the direction of social change. Stability was also important to the United States both from a diplomatic and economic viewpoint. Consequently, there was no particular aversion to working with a military regime that provided the desired stability. The SECPANE program continued —in fact thrived—under the Odría dictatorship. Nor was there an attempt to push social change to the extent that it would threaten stability.

U.S. advisers and their Peruvian counterparts constituted a *servicio*, only informally linked to the bureaucratic structure of the Ministry of Education, through which U.S. funds were channeled into various educational projects. U.S. personnel were employed by an AID predecessor, the Institute of Inter-American Affairs, controlled by the U.S. State Department. Although Peruvians and North Americans were "equal" in the SECPANE organization.

Peruvian counterparts seldom initiated programs and tended to rubber-stamp North American suggestions. The SECPANE team was involved in all major areas of Peruvian primary, secondary, and normal-school education. Little attention was given to education outside the schools.

SECPANE was extremely active in the field of rural education, establishing a system of *nucleos escolares* (nuclear schools) in which as many as eight or ten three-year rural primary schools were formally linked to a six-year primary school in a nearby town.[8] The larger school theoretically provided assistance to the smaller rural schools, including agriculture and health instruction by qualified people. Well conceived in theory, the *nucleos* encountered difficulties in practice. The Ministry, controlled by urban mestizo middle-class Peruvians, was not willing to extend schooling to the rural Indian in a form that might disturb existing sociocultural distinctions. Rightly or wrongly, nuclear schooling was regarded with suspicion. Although the Peruvian government was contributing approximately two-thirds of the SECPANE budget, it was not in a position to block the program, and it forged ahead as, in effect, a North American program lacking moral support within the Ministry. In spite of impressive efforts to create special training programs for rural teachers and to produce special teaching materials, most teachers still had only a primary education and few students in the nuclear system progressed beyond the first year or two in school. When SECPANE was phased out in 1962, the Ministry did not pick up the administrative and financial burden dropped upon it and the *nucleos* have, since then, been dying a slow death.

In the area of technical education, SECPANE contributed by developing curriculum materials and by helping to organize technical programs in comprehensive schools called *grandes unidades escolares* (GUE), and in separate technical schools. Although there was a growing demand for technically skilled workers, it became clear that the demand could not be met by graduating more people from more schools. Training in the schools had little relation to the job and employers soon learned that technical school graduates had to be re-taught. A study done about 1961 showed that only 11 per-

[8] An excellent description of the *nucleos* may be found in John Baum, *Estudio sobre la educación rural en el Perú: Los nucleos escolares campesinos* (Mexico City: RTAC, 1967).

cent of the industrial school graduates found (or sought) employment in industry.[9]

Through the rural education program and technical schooling, SECPANE sought to respond to growing pressures from what today would be called the "disadvantaged" or "marginal" sectors of the population. In the same vein, an extensive program of school expansion and construction was funded; it would presumably bring in more individuals from the lower sector of society. School lunches were provided to upgrade health and increase attendance. Also, pressure to eliminate secondary school fees was applied, and several of the GUE were located in the provinces, presumably to provide "quality" public education at the secondary level outside Lima.

One might easily argue that SECPANE programs, aimed at disadvantaged groups in the Peruvian society, served simply as a means of heading off discontent, thus reinforcing the status quo. While giving the appearance of increasing educational opportunity (and therefore economic opportunity?), the net effect, it might be argued, was to provide only minimum schooling so that the competitive advantage of disadvantage groups was not raised. At the same time, lower socioeconomic groups became committed to schooling as the main path to success, a path that upper socioeconomic groups could continue to control effectively. The stratified system of schooling linked to sociocultural distinctions remained intact.[10]

A major portion of the SECPANE budget was spent for participant training, usually in the United States. In spite of the inevitable boondoggling and some poor programing, a large number of

[9] The percentage comes from Fernando Romero, *La indústria manufacturera y su mano de obra en 1962* (Lima, 1963). Romero's estimate is probably unduly pessimistic. A follow-up study of public secondary technical school graduates, 1950–1958, by Aristides Vega N. shows that 16 percent of the graduates were employed in the specialty they had studied but another 37 percent were in related occupations, while 13 percent did not specify their occupation. Aristides Vega N. and Edward A. Parker, *Informe sobre los problemas de educación industrial*, Ministerio de Educación Pública, Servicio Cooperativo Peruano-Norteamericano de Educación (Lima, November, 1959), p. 3.

[10] For an analysis of the linkages between educational organization and social stratification in Peru, see Rolland Paulston, "Estratificación social, poder y organización educacional: El caso Peruano," *Aportes* 16 (April, 1970): 91–111.

Peruvians were trained and did return to serve actively in SECPANE or in the Ministry. I know of no evaluation of SECPANE participant trainees per se, but in a larger evaluation of the Peruvian participant training program, "education" trainees were found to be "utilizing" their training at a relatively high level.[11] Nevertheless, a net result of the training may have been frustration because utilization was principally within existing social structures and did not lead to changes.

The need for quality educators also led to plans for an "ideal" normal school to groom talent locally. The result, La Cantuta, became highly politicized and quickly rejected its North American foster parents, but it also channeled some very capable individuals into education—individuals who are now entering decision-making positions in the Peruvian Ministry, the National Planning Institute, and other governmental agencies concerned directly and indirectly with education.

Although SECPANE was independent from the Ministry and had special access to outside funds, Ministry officials were still in a position to thwart programs if not decisions. For instance, one set of primary school textbooks, created and printed by SECPANE at considerable expense, was never moved out of warehouse storage because they were never approved by the Ministry.[12]

Any overall evaluation of SECPANE would, of course, depend on the standard applied. It was probably a positive force in Peruvian education: some organizational improvements can be traced to SECPANE, and some curricular materials are still used in Peruvian schools today; considerable work was done in areas (geographical and educational) to which the Ministry was committed in word but not in deed. Whatever the standard applied, it is probably fair to say that results during the eighteen years were not overwhelming. On the other hand, in fairness, we might also ask rhetorically, "Could more, realistically, have been expected, given the social context and the painfully slow changes occurring in other social institutions?"

[11] International Research Associates, Inc. *A Survey of the Peruvian Participant Training Program*, prepared for the Department of State, AID (New York, July, 1965).

[12] This may serve as a warning to those U.S. policymakers considering interventions in "civic education" under Title IX.

As political changes occurred in both Peru and the United States in the early 1960s, as the Alliance for Progress became a reality, as multilateral agencies took on increasing significance, and as technical assistance was reorganized under AID, changes in the form and substance of U.S. involvement in Peru were inevitable. And even in the early 1960s relatively direct involvement by North Americans in Peruvian affairs, as had occurred with SECPANE, was becoming difficult to defend.

It is not particularly surprising, then, that SECPANE was phased out as the military junta took over in 1962. Discarding its former reluctance to rock the boat, the United States agonized over recognizing the new military government that had acquired power by force. In true "liberal" Kennedy style, support for the military government was withheld, a symbol of U.S. objection to nondemocratic military rule. Aid was cut at the same time. Although diplomatic recognition was subsequently given, the flow of aid did not pick up at the same time—the gap left by the SECPANE departure was not filled immediately.

1963–1968

At this point, I will divide the discussion in order to distinguish U.S. involvement in schooling from involvement in education outside the traditional system of schools.

SCHOOLING AT THE PRIMARY AND SECONDARY LEVELS

The political picture changed again with the election of Belaúnde in 1963. Conditions for renewed foreign assistance in the field of education appeared to be propitious. Negotiations led to the arrival of a team of educational advisers from Teachers College Columbia University (TCCU) contracted by AID to work with the Peruvian Ministry of Education. The TCCU team was the principal U.S. government-sponsored organization working directly with primary and secondary schooling in Peru from 1963 to 1968. Contracting a university presumably permitted access to a wider spectrum of resources and presumably muted objections arising from direct government-to-government contact. TCCU advisers were to have no direct decision making power.

Projects and responsibilities ranged widely. In addition to the chief of party, TCCU advisers were provided at various times in

elementary education, educational administration, educational research, educational planning, teacher education, trade and industrial education, rural elementary education, and educational materials. Short-term advisers were brought in as needed. The following table, taken from the 1968 AID program book, gives an idea of pro-

TABLE 1: PERUVIAN EDUCATIONAL ACTIVITIES PROJECTED FOR FISCAL YEAR 1967–1968

Target Area	Continued Emphasis	New Initiatives
I. Improving the administrative structure and procedures of the Ministry of Education	Completion of regulations for Ministry officials Completion and final approval of regulations for regional offices Implementation of rural education offices in primary division and in teacher education Participant training scholarships for young potential administrators	Region-by-region analysis of administrative problems and recommended procedures Gradual development of training program for regional and Ministry administrators Experimental program of training for Ministry accountants and auditors Creation of administrative office to deal with regional colleges
II. Planning an educational program geared to Peru's economic and social needs	Analysis of implications of manpower study Refinement of five-year educational plans Patricipant training scholarships for potential planners, statisticians, and researchers	National Conference on Educational Planning Organization of data gathering services Development of Educational Research bureau, staff, or institute

Target Area	Continued Emphasis	New Initiatives
III. Improving teacher education	Refinement of new year teacher preparation curriculum Refinement with Catholic University of its program in education as per study by TCCU technician	Development of 3 regional normal schools as model teacher training institutions (loan) Development of standards for normal school staffs
	Completion of standards for normal schools Continued assistance with CRECER program for teachers in service Participant training scholarships for potential leaders in teacher education	Assistance to universities in the development of programs for preparing normal school teachers Reorganization and development of teacher-training program at La Cantuta
IV. Developing a modern system of secondary and post-secondary vocational education in Peru	Completion of loan application to World Bank Continued work with technical and vocational division of Ministry on vocational education programs Assistance with development of industrial arts and home and family life components of general education in comprehensive secondary schools Participant training scholarships for potential leaders in technical education	Assistance in development of regional colleges and 5 technical secondary schools administrative organization, instructional programs, buildings, equipment, staff, teaching materials, etc. (World Bank loan funds and AID finances) Assistance with development of vocational offering in proposed comprehensive secondary schools
V. Increasing the effectiveness of rural education in Peru	Assistance to Ministry ing nucleo schools officials in develop- and rural education Implementation of new rural education offices in Ministry Occasional small loans through AID Special Projects Office Establishing of budget in the Ministry for the two rural education training centers Participant training scholarships for potential leaders	Development of 3 rural education training centers (loan) Assistance in school construction east of the Andes (loan) Assistance in development of experimental vocational training programs in rural schools (loan) Revolving fund for starting self-supporting projects in rural schools (loan)
VI. Improving the quantity of teaching materials	Assistance, in cooperation with Peace Corps, with Ministry educational T.V. program Participant training scholarships for technicians in educational T.V. and instructional materials	Development of instructional materials production center (loan) and in-service personnel training program Feasibility study of educational T.V. in Peru (loan)

SOURCE: Department of State, USAID *Country Assistance Program* FY 1968. Peru, Part II. Washington: USAID. The description reflects thinking as of October 1966.

jected activities as of October 1966 and provides a reasonably good outline of the U.S. involvement in Peruvian education through TCCU. Note the participant training component in each area.

The TCCU team encountered difficulties getting started, not the least of which related to personnel problems within the team. Establishing proper lines of communication with Ministry officials also proved difficult at the outset. More important, however, was

the upsetting fact that an educational sector loan (for nine million dollars), promised to the Peruvian government at the time the TCCU contract was negotiated, was subsequently withheld. Freezing technical assistance (not only in education) was used to put pressure on Belaúnde not to expropriate IPC.

As early difficulties were overcome, the U.S. advisers settled into their relatively unproductive routine. Much of the energy of team members was consumed in the preparation of loan requests to such organizations as AID and the World Bank. Ministry officials felt they had already made an agreement with AID and that further proposals were not necessary; that was a game for the TCCU technicians to play. A World Bank loan to be used for regional *colegios* was requested and apparently approved, then withdrawn in the wake of Peru's purchase of Mirage airplanes from France.

In part, TCCU ineffectiveness was related to political problems but there were other reasons why the Ministry of Education was unable to utilize the technical personnel wisely. Absorptive capacity of the Ministry was, and still is, an important constraint on the amount of technical assistance that can be rendered effectively. Indeed, the difficulties inherent in any technical assistance endeavor linked to the Ministry of Education with its immense bureaucracy (whether indirectly linked and on a government-to-government basis as in SECPANE or directly linked and channeled through a "private" U.S. institution as in the TCCU case) should not be underestimated. Money and men with expertise are thinly spread throughout the Ministry. The political labyrinth within the Ministry is very confusing to an outsider. (The same comments can be made about the United States Office of Education.) The promised sector loan might have been denied on other than political grounds. If it had been granted, it would not have solved the problem of absorption although part of the funds would have been earmarked for upgrading Ministry personnel.

In 1967 the TCCU team was reduced to five members. The sector loan (now requested for ten million) was again withheld and actively continued at a frantic but unproductive pace. One of the hopeful developments during the 1967–1968 period was initiation of an educational research program organized within the Ministry. Several good pieces of empirical research emerged from the program.

Several other means of U.S. involvement in primary and secondary education from 1963 to 1968 deserve mention. The U.S. government provided school lunches on a massive scale under PL 480, Title III, according to the 1968 program book, approximately twelve million dollars was budgeted for the four years 1965–1968. (There is little doubt that the food program had a major impact on enrollments.) Peace Corps workers were involved in the distribution of food, in the construction of schools, and occasionally in teaching, usually in rural areas. The "U.S. community" operates one of the best schools in Peru (K-12) for North Americans and Peruvians (most of whom are from upper socioeconomic backgrounds). The Instituto Cultural Peruano-Norteamericano offers English and other classes to Peruvians.

Church groups from the United States have also made their educational presence felt.[13] Roman Catholic orders have been particularly active. Among other educational concerns, the Catholic church operates several of the most prestigeous secondary schools in urban Peru and is responsible for a system of radio schools in rural Peru. For approximately twenty-five years, the Wycliffe Bible Translators, usually referred to in Peru as the Summer Institute of Linguistics (SIL), has been working, in conjunction with the Ministry of Education, with Indian tribes in the Peruvian jungle, writing down previously unwritten languages and developing syllabuses to teach Spanish as a second language (using the tribal language as the first). The SIL is also experimenting with bilingual education (Quechua-Spanish bilingualism) in the sierra.

North American church and nonchurch groups are deeply involved in a wide range of programs for residents of the Peruvian *pueblos jovenes* (previously called *barriadas*) that ring Lima and other major cities. Most of the programs have an educational component. Some, such as ALFALIT (a literacy technique with a religious underpinning) are directly concerned with education. Others, such as birth control or public health programs, not only involve educating people, but will also have an effect on enrollments.

Before leaving the primary and secondary level, I should note that during the post–World War II period, the Peruvian educational system did make enormous quantitative gains. From 1958

[13] See chapter 12.

to 1968, for example, combined primary and secondary enrollments increased by 114 percent (as compared with a population growth of 40 percent),[14] an expansion rate surpassed only by Mexico and Nicaragua among Latin American nations in that period. The expansion was clearly related to a major financial commitment by the government, as indicated by the fact that investment in education grew from less than 3 percent in 1958 to approximately 6 percent of the gross national product in 1967 (one of the highest percentages in the world). Meanwhile, the percentage of the national budget devoted to education rose from approximately 18 percent to 26 percent.[15] As I have pointed out earlier, expansion does not necessarily mean an improvement in quality, nor is it necessarily an index of major social reform.

SCHOOLING AT THE HIGHER EDUCATIONAL LEVEL

Until the 1960s, Peruvian universities received little foreign assistance; U.S. involvement was largely restricted to exchange programs (Fulbright and others). Early in the decade, however, attitudes changed; the university was rediscovered by Peruvians and North Americans alike. The realization that universities have an important place in society is not new, of course. Peru boasts a long and strong tradition of universities. However, only since World War II, and primarily in the last decade, has pressure been placed on Peruvian universities to serve national economic and social as well as intellectual and political ends. The Peruvian government began to view the university as a powerful force in society that could be more constructively utilized to prepare individuals for "needed" occupational roles (note goal 3 of the 1967–1970 plan, p. 338). In addition, increased demand for the limited university places created strong pressure for expansion as well as for university reform. The U.S. government, the foundations, and multinational agencies stimulated and responded to the internal pressures for expansion and for redirection of Peruvian higher education.

[14] Cited in Paulston, p. 101. See also, the Inter-American Development Bank. Social Progress Trust Fund. *Ninth Annual Report, 1969*, "Socio-economic Progress in Latin America" (Washington, D.C.: ADB, March, 1970), p. 143.

[15] República del Perú, Instituto Nacional de Planificación, *Diagnóstico Nacional de Educación, 1955–1965* (Lima, December 1967), pp. 2–104; also, IADB, p. 440.

Responses to pressure for change in the university system were both quantitative and qualitative. Before Belaúnde took office in 1963, university enrollment had already started its dramatic climb. From 31,900 students in eight universities in 1958, the numbers increased to 53,000 in twenty-six universities (including two branch affiliates) in 1963, and then to 123,100 in thirty-two universities in 1968.[16] Among South American nations, no other country could claim a higher rate of expansion during the ten years. Uncontrolled and uncoordinated growth led to lower-quality education on the average. At the same time, however, particular institutions displayed marked improvement, at least as indexed by such standard indicators as the number of full-time professors employed or the number of advanced-degree holders on the faculty. Foreign assistance was more directly associated with attempts to improve the quality of Peruvian higher education rather than the quantity.

The greatest numerical growth within universities occurred in education and humanities faculties, leading some observers to suggest that aspirants prefer and demand nonscientific and nontechnical fields. But relative enrollment is not a good indicator of student preferences or of the strength of demand for university places. If one looks at the relationship between the number of applications and the number of students admitted by field of study, there is less basis for the contention that students avoid "modern" fields.[17] Enrollments, then, are as much a function of supply (places available) as well as of demand. The fact that it is much less expensive to expand education or humanities offerings than engineering of-

[16] "Reflexiones en torno a las opportunidades educacionales," *Boletín del Instituto Nacional de Planificación*, no. 93 (February 30, 1970), p. 2.

[17] In 1967, for instance, 370 students enrolled in *ciencias* at San Marcos and 1,126 enrolled in *humanidades*. However, only one in five applicants was accepted into *ciencias* as contrasted with one in three applicants accepted in *humanidades*. Medicine continues to be the most selective career—only one in ten applicants gained admission in 1967. Oficina Nacional Inter-Universitaria de Planificación, Consejo Inter-Universitario, Departamento de Estadística, *Boletín No. 2* (Lima, December, 1968), pp. 9, 10).

ferings affects the supply and through supply the relative enrollments.

Increased university enrollment in education faculties was not only associated with availability of places; in addition, demand for such training was high and had sparked improvements in the relative earnings position of teachers during the first half of the decade.[18] Also, secondary school teaching is a relatively realistic career goal for many upwardly mobile students who lack the social status and related connections to establish themselves in other professional fields.

During the period of rapid expansion, external assistance was made available to Peruvian universities in a variety of ways. The largest inputs were soft-loan monies obtained through the IDB.[19] The University of San Marcos received a 1.5 million dollar loan in 1962 to establish a postgraduate department of basic sciences; the Agrarian University and the Engineering University received 2 and 2.5 million dollar loans respectively in 1964 to be used for construction and equipment. All three loans were made from the IDB Social Progress Fund. In 1968 the University of Trujillo received a 1.8 million dollar loan from the Fund for Special Operations of IDB to expand and improve general studies and chemical engineering. The foundations were also actively involved in higher education through grants to San Marcos, Agrarian University, Engineering University, the Catholic University, and Cayetano Heredia, among others. Heavy emphasis has been placed on basic science, but funds have also been available for improvements in other areas.

The U.S. business community in Peru has had little contact with higher education, preferring to send trainees abroad and/or to recruit U.S. trained Peruvians whenever possible. Each year firms make funds available for scholarships and some firms contribute to the Instituto Peruano de Fomento Educativo (IPFE).

Assistance efforts by private and public institutions alike were

[18] Shane Hunt, "Distribution, Growth, and Government Economic Behavior in Peru," Discussion Paper No. 7 (Princeton University, Woodrow Wilson School, March, 1969). The zenith was reached in 1965 with the passage of Law 15215 guaranteeing teachers a 25 percent increase in salary each year for the next four years. The promise could not be kept.

[19] Inter-American Development Bank, *Tenth Annual Report* (Washington, D.C.: IADB, 1970), pp. 116, 117, 142.

concentrated in science and technology. Probably emphasis has been conditioned not only by the weak character of existing programs and by a growing faith in objective science as an important answer to underdevelopment, but also by a basic mistrust of the social sciences as dispensed by the United States.[20]

The policy orientation of both U.S. and multilateral organizations converges in an emphasis that might be labeled "institution building." That is, assistance has been concentrated within relatively few institutions rather than dispersed across institutions. In the institution-building efforts there seems to have been at least informal coordination among organizations effecting transfers of resources. The Engineering and Agrarian Universities have been favored recipients for assistance. In part, the institutional basis for making grants and loans resulted from the fact that there was no effective administrative structure tying the universities together in the 1960s.

The U.S. government has supported the development of Peruvian higher education in many ways. In the Agrarian University, for instance, PL 480 funds have been used to finance construction; a textbook lending library has been established with Alliance for Progress monies; scores of university professors have been sent abroad for advanced degrees in a wide range of academic areas, from forestry to agricultural economics and sociology; personnel from U.S. universities have been imported to work in an advisory capacity as the university restructures along departmental rather than along traditional "faculty" lines; and some teaching has been carried out by U.S. personnel both under technical assistance and under Fulbright programs.

Although the amount of assistance given by the United States for higher education in Peru is relatively small, the U.S. presence in higher education in Peru is sometimes overpowering. The universities seem, on occasion, to be overrun with technical advisers, Fulbrighters, Ford Foundation consultants, and U.S. graduate students doing their doctoral research. There is a tendency to forget

[20] The "functionalist" and "free market" models so deeply entrenched in U.S. sociology and economics are viewed as apologies for maintaining U.S. domination of less-developed nations and for maintaining existing inequitable social structures within Peru. Stress is on equilibrium in the models; conflict and changes are not treated adequately in the eyes of the reform minded.

that the entire university system of Peru enrolls only slightly more students than New York University.

The most direct involvement by the United States in Peruvian higher education has occurred through an AID contract with Stanford University to establish a graduate school of business administration, the Escuela Superior de Administración y Negocios (ESAN). Although the school does not have official university status, it offers a master's degree sanctioned by other Peruvian universities. ESAN is well equipped and well run (originally by U.S. personnel, increasingly by Peruvians as the U.S. attempts to phase out). Criticisms have been leveled at ESAN because it tends to serve only the sons of wealthy Peruvian families. It does not seem to have lived up to expectations in terms of turning out entrepreneurs who then generate new businesses and new employment; rather, it trains for existing positions in family or foreign businesses. An evaluation of the effectiveness of ESAN depends heavily on the perspective brought to the evaluation.

Another form of U.S. government assistance to Peruvian higher education has been to provide continuing support for the Instituto Peruano de Fomento Educativo (IPFE), a nongovernmental agency that also receives support from Peruvian and North American businesses. Decisions about the use of IPFE monies are made by the Peruvians charged with administering the funds. Disbursements have been made for student loans (both for study at home and abroad), for educational projects such as a seminar on instructional methods for science teachers, and for small research projects. IPFE also administers the Latin American Scholarship Program (LASPAU), a carefully designed program of study abroad in the United States linked to future employment in Peruvian universities upon return. The support for IPFE constitutes an important exception to the general university-by-university mode of transferring resources to Peruvian higher education.

U.S. assistance to Peruvian higher education through programs of training abroad deserves more detailed treatment. From 1961 to 1968 the number of Peruvians studying in the United States in institutions of higher education increased from approximately four hundred to approximately twelve hundred.[21] One-fourth of the stu-

[21] Institute of International Education, *Open Doors* (New York, various years).

dents are registered at the graduate level. There is a heavy emphasis on "modern" subjects. The largest numbers of students are in engineering and business. Although it has been pointed out painfully by the Peruvian government that study abroad results in an outflow of funds,[22] we should keep in mind that approximately 40 percent of the Peruvians studying in the United States are sponsored in part or entirely by U.S. universities, international organizations, foundations, U.S. businesses, or the U.S. government. Others finance their education by working in the United States while attending a university. Furthermore, study abroad relieves some pressure on local Peruvian institutions, provides a huge educational subsidy (even when students pay their own way the institution also contributes because fees never cover university costs), and gives access to expensive technical and scientific offerings both needed and demanded in the development process. Thus, even when allowance is made for the fact that some Peruvian students do not return home following study abroad,[23] there is little doubt that Peru gains, on balance, from study abroad in the United States. Indeed, when U.S. university subsidies are added to the direct investment by government, foundations and international organizations to which the United States contributes, study abroad may be the largest single source of U.S. involvement in Peruvian education.

EDUCATION OUTSIDE THE TRADITIONAL SCHOOL SYSTEM

School systems need other educational institutions to supplement offerings and to compensate for ingrown defects that are hard to remove, given the inflexibility of schools. It would not be surpris-

[22] República del Perú, Instituto Nacional de Planificación, *Desarrollo económico y social: educación, "orientaciones para el desarrollo del sistema nacional de educación"* (Lima, September, 1968), p. 48.

[23] Robert G. Myers, *Education and Emigration* (New York: David McKay, forthcoming), chapter 7. Among students who are sponsored to study in the United States, the rate of nonreturn is less than 5 percent. A higher percentage, probably between 15 and 20 percent, of the nonsponsored students remain abroad in the United States. Evidence indicates, however, that the decision to emigrate to the United States is made prior to, or at the same time as, the decision to study abroad in most of the non-returnee cases. Hence, study abroad does not cause emigration. Furthermore, if jobs are available, Peruvians do return home and often at salaries far below those that could be obtained abroad. The one area in which Peru seems to be experiencing a talent drain is in the field of medi-

ing to find that the number of people trained outside traditional school settings—in industrial courses, on-the-job training, in apprenticeship programs, in military education programs, and in improvement courses offered by government—exceeds the number trained in schools in Peru. Such extraschool programs are usually directed toward fulfilling a specific demand for skills by employers. One of their virtures lies in their ad hoc nature and their limited life.

In the period 1963 to 1968, the U.S. government sponsored several nontraditional, extraschool projects. One of the more interesting commitments was to education offered by and through the Peruvian military. Funds were supplied to give Peruvian conscripts, almost exclusively from the lowest social levels, literacy training throughout their tour of duty and, prior to discharge, vocational training for three months (in one of twelve trades). The programs were expensive and results have not been adequately evaluated. I hesitate to hazard a judgment of their effectiveness.

On quite a different plane, the U.S. government has supported educational programs in sales and management. In addition to developing ESAN, funds were allocated for seminars, workshops and conferences sponsored by the Peruvian Management Association (IPAE) and the Peruvian Sales Management Association (ADV). In 1965/66, approximately fifteen hundred individuals participated in IPAE training courses and another seven hundred in marketing courses.

At the same time, the U.S. government promoted a workers education center for trade unionists (through the American Institute for Free Labor Development and the Confederation of Workers of Peru),[24] established small libraries in rural areas (under a Special Projects category of technical assistance), trained Peruvians in survey research and demography techniques (through CISM, a sample-survey organization in the Ministry of Labor), sent Peruvians abroad for practical experience and supported Peace Corps members in, for instance, community development activities with a large educational component. In brief, the scope of extraschool

cine. The drain is related to an internal brain drain and to an oversupply of doctors relative to "effective demand" (as distinguished from "need") for doctors.

[24] See chapters 9 and 10.

involvement in education was broad and the institutional arrangements were varied. Programs were not coordinated; there was no recognizable policy toward education outside the schools.

One of the most successful extraschool educational developments in the 1963 to 1968 period was the growth of SENATI, an apprenticeship training program modeled after similar programs in Brazil and Colombia. SENATI included literacy training, trade instruction, and some secondary vocational training tied to employment in industry. U.S. firms in Peru were among those that were assessed 1 percent of their payroll to support SENATI, but the U.S. government declined to contribute funds directly despite several such requests, largely because foreign assistance at that time was frozen.

Unfortunately, I know of no data accumulated on training in industry in Peru and cannot comment on the extent to which U.S. business has provided education for employees. My impression is that if the informal and formal training given (or supported) could be quantified it would turn out to be considerable at all levels—from stockroom to management. On one hand such investment in human resources, if substantial, would provide a counterargument to those who contend that foreign enterprises only extract resources; on the other hand, the direct link to North American training would provide fuel for those who would like to interpret education as a means of making Peru ever more dependent upon the United States by emphasizing U.S. technologies.

One of the most noteworthy extraschool programs developed during the Belaúnde period was located within the Central Bank. Supported by the Ford Foundation, selected students were given sound instruction in "modern" economics. The Central Bank training program is an excellent example of an educational investment made outside the traditional school system that seems to have yielded well even if in a somewhat different manner than that anticipated. Although many program graduates left the Central Bank, a large proportion continue to utilize their training effectively within Peru.

Undoubtedly, the list of U.S. organizations participating in education in Peru could be drawn out to a much more impressive length. However, I think the foregoing should be enough to make the general point that U.S. involvement takes many forms and is,

to say the least, extensive. When all educational forms and programs are brought together, the Peruvian charge of "domination" does not seem quite as exaggerated as it might have appeared before.

1968 to the Present

With the change of government in October 1968, the status of TCCU members became unclear. For a period after the turnover, advisers remained in Peru but reported to AID rather than to the Ministry. Meanwhile, attempts to renegotiate the contract with the new government snagged, in spite of support for the TCCU team from within the Ministry at the middle levels. An idealized pattern on how technical assistance should work was apparently postulated in which U.S. advisers would not only be restricted from the fringes of decision making, they would also be asked to refrain from taking any program initiatives. "Advising" was to mean just that and was to take place only upon request. The Peruvian view of technical assistance seemed closely linked to preoccupation with independence from external influence.

Had there been a strong desire to renegotiate the contract on either side it could have been done. Education officials in AID and in the Ministry were, however, locked in by the respective political positions of their governments in early 1969. The pretext for discontinuing the contract and for sending TCCU personnel home became default by the Ministry on an obligation to pay relatively minor supporting costs for the TCCU group.

In May 1970 the USAID mission in Peru included one man whose primary responsibility was education. His task was to keep channels of communication open. The withdrawal of the TCCU team was probably wise; under the best of circumstances, performance had been spotty and successes had been tied more to individual relationships and initiatives than to the efforts of a smoothly functioning organization. Ironically, however, there was a feeling among some TCCU members that obstacles to effective assistance were finally being removed—just at the time the contract was terminated. AID can, of course, still call in individuals if requested by the Peruvian government.

It does not take long for "successes" to wither. For instance, the highly praised system of nuclear schools built up over many years by SECPANE reverted to a system of traditional one-teacher schools. The decline began during the TCCU tenure as available resources declined. To cite another example, the potentially successful research program started within the Ministry by TCCU has been converted into an unimaginative office concerned more with educational inventories than with empirical educational research.

Other U.S. government involvement in Peruvian education was not so dramatically affected by the change in government. Some U.S. advisers working in Peruvian universities were sent home but others remained. ESAN continues to function with U.S. support and the blessing of the current regime (which is contributing 50 percent of costs and which chose ESAN for a governmental contract that might have been handled elsewhere). Programs of study abroad continue at approximately the same pace as pre-1968. Peace Corps members still perform educational tasks.

Nongovernmental U.S. institutions including foundations, church, labor, and business continue their educational support in varying degrees. As U.S. businesses adjust to the new rules of the game, the amount of on-the-job training is reduced, at least temporarily, perhaps permanently.

Viewing the broader picture, then, U.S. withdrawal from involvement in Peruvian education following the military takeover in 1968 has been more symbolic than real.

A commission focusing on primary and secondary education is presently laboring diligently to come up with recommendations for improving the Peruvian educational system. On one hand, the commission has served to provide a needed delay for a reform-minded government that could not possibly handle reform in all areas at once. On the other hand, the commission has taken its charge seriously. From the extensive probing by fourteen subcommissions, a wealth of information should appear and an integrated set of programs and priorities should take shape. Presumably the process will establish areas in which external assistance would be welcome.

According to a press conference given by the Minister of Education in January, 1970, at least two priorities are evident—reform of teacher training and renewed efforts in agricultural education.

particularly as associated with the Agrarian Reform.[25] In addition, preliminary releases by the Reform Commission point to major structural and curricular reorganization, to incorporating children under five into the educational program, and to a de-emphasis on traditional formal schooling in the upper high school years, perhaps through coordination of SENATI and the Ministry of Education.

The "renovation" of higher education was, and is, seen as a crucial element in the revolutionary government's program.[26] Among the changes in the now famous Decreto 17437 (as modified by 17833) are the following:

1. A reorganization of the academic structure. Academic departments organized by academic discipline replace "faculties" organized by career sequences.

2. A curriculum reform. Basic studies programs are envisioned for all universities. The curriculum within each university is to be made "flexible," giving each student more freedom to choose courses.

3. A reorganization of the governing structure. Under the reform, students and faculty are represented on the University Assembly that elects the rector and determines broad policy. Student representation in the Assembly is reduced from one-third to one-fourth. Policy implementation, however, is to be carried out by a university council in which students have no representation and in which faculty members are represented only by their department head. In addition, a restriction is placed on eligibility for the position of rector (he must have been in the university for ten years) and restrictions are placed upon student eligibility for election to the Assembly (they must be in the top 20 percent of their class).

4. Cost of education. No longer would public university education be free. A graduated scale of fees based on ability to pay is to be established by each university. Most universities have managed to neutralize this provision to date.

5. Academic freedom. The right to enter university campuses has been given to civil authorities, but the decision to call civil

[25] See chapter 5.

[26] Leopoldo Chiappo, "Estructura y fines de la universidad peruana," *Aportes* 16 (April, 1970): 68.

authorities lies with each university. Political activity on campuses is presumably prohibited.

6. Coordination at the national level. The Consejo Nacional de la Universidad Peruana (CONUP) is given data-gathering, planning, and accreditation functions as well as control over distribution of funds allocated to Peruvian universities by the government. At the same time, CONUP is supposed to arbitrate conflicts among institutions, has the power to consolidate institutions, and can remove officials for mismanagement.

As might be expected of any drastic changes, there has been opposition. The 1969 school year was filled with student disturbances. The law was tested with the election of rectors. The Agrarian University and the Engineering University, the two main recipients of foreign assistance and probably the most up-to-date universities in Peru, were closed for part of the year; Engineering students lost a semester of work. The fact that opposition to the new law centered in these two universities has led some observers to question the effect of foreign assistance to higher education.

Increased politicization of the universities could undercut effectiveness of almost any technical assistance offered, either directly through a student attack on foreign assistance programs, or indirectly as the universities are immobilized and unable to absorb assistance. But the long-term effect of the 1969 university reform on student politicization is not clear. The government has shown some responsiveness to student pressures and the university system seems to have survived a first round of disturbances. Whether or not student leaders will be forced into more radical positions and will acquire a significant following in their new positions remains to be seen.

Criticisms of the reform come from many quarters, sometimes from individuals who are concerned about the imposition of what seem to be North American values and structures on the Peruvian system.[27] While such values and structures might be appropriate for the United States, and while they might make the Peruvian universities more efficient, their applicability to the Peruvian situation and goals is not clear. In promulgating the law, the new gov-

[27] Based on my conversations with various Peruvian university students and faculty members.

ernment seems to have endorsed as critical the role of the university in providing manpower for economic development—a slant critics feel is too closely linked with North American desires.

Critics of the reform also argue that lower socioeconomic groups in Peruvian society will be placed at a greater disadvantage than before the reform because they will have to pay.[28] Again, there is a conflict of goals. Education is expected to promote equity while fostering economic growth and encouraging freedom.

Not all of the current strains within the Peruvian university system stem from the reform law. The government has reduced the relative funding for universities, putting a squeeze on budgets. In addition, the moderately favorable salary position of university professors (in some universities) has been threatened by a separate reform decree (17834) regulating salaries and linking professors to the civil service scale. The result may be a return to multiple employment, a change of occupation, or emigration.

CONUP is being severely tested as it attempts to bring marginal universities up to standard and as it is called upon to moderate mounting cross-pressures among the major universities. The degree to which U.S. assistance to higher education can be effectively used may depend in large part upon the success of CONUP in dealing with its present political difficulties.

Categorizing the Alternatives

Broad policy alternatives may be categorized as follows: (1) total detachment; (2) make resources available but on a general budget support level, i.e., without stipulating whether resources should be allocated to education or not; (3) make funds available for education only, but for general use within education, i.e., without stipulating specific projects or agencies; and (4) make funds available for specific educational projects or agencies. Each alternative implies a different degree of choice for the United States and Peru in managing and allocating resources.

Rather than pursue each of the four alternatives directly, I prefer to treat them indirectly and to organize the discussion about several cross-cutting considerations. From answers to the following

[28] Alberto Escobar, "Las paradojas de la ley universitaria peruana." *Amaru* 15 (January, 1970): 8.

five questions, one or another broad policy tends to emerge. However, the reverse procedure, choosing a broad policy first, may or may not provide answers to the questions, all of which must be dealt with in some way when discussing foreign assistance:

1. To what point should resources be made available, if at all?
2. What institutional mechanism for transfer of resources should be utilized?
3. Under what conditions should resources be made available? Are there specific preconditions that should be met? Should strings be attached, and if so what are they? What terms of repayment should be included, if any?
4. Who should receive the resources? Should public or private institutions in the receiving country be favored? Should particular subpopulations receive disproportionate amounts? Are there specific institutions that should receive the resources?
5. What are the priorities governing resource allocation? What purposes will be served by the transfer of resources?

Policy Alternatives

In this section, I will concentrate on U.S. government involvement in education and will not attempt to delineate alternative policies that nongovernmental institutions might follow. However, many of the same sorts of decisions about the form and substance of involvement will have to be made by other organizations as well. Although governmental policy obviously influences educational involvement by nongovernmental institutions such as the foundations, business, and the Church, I will not treat the influences explicitly. In part, my reluctance to explore effects of governmental policy on other institutions stems from my feeling that the more government controls or manipulates nongovernmental responses, the greater the monolith and the greater the policy risks will be.

Within education, I will deal mainly with U.S. involvement in higher education. Almost inevitably, the discussion of educational assistance will be, at the same time, a discussion of foreign assistance in general and, to a lesser degree, of U.S. foreign policy goals.[29] Rather than discuss foreign policy goals in the abstract, I

[29] For an excellent discussion of the shifting context within which I am discussing educational policy, see Abraham F. Lowenthal, "Alliance Rhetoric

prefer to look at policy operationally. By answering operational questions, the impact and intent of foreign assistance is often more clearly delineated than in a discussion of goals. Let us keep in mind, as noted earlier, that there are multiple goals for foreign policy and for education to serve. Conflict and overlap among the expressed goals frame the problem.

Questions but not Answers

What amount of resources should be made available? At the moment, we find a minority who feel that the U.S. should increase its overseas involvement by increasing the level of resources committed to international assistance, regardless of the form of assistance and regardless of the project. The argument for increases is usually phrased in apolitical, "humanitarian" terms and as often as not is based on the assumption (probably false) that the modest results associated with international assistance to date could be improved upon by providing development support on a larger scale. There is even evidence to indicate that the effectiveness of foreign assistance does not relate to the scale of the assistance (unless there is an inverse relationship).[30]

Let us turn, then, to the arguments of those who feel that disengagement from foreign assistance is the most appropriate course for the United States to follow. Although the extreme position—withdrawal of all aid from Peru—is taken by relatively few, the same arguments used for the extreme position are also marshaled to support more moderate reductions as well.

One line of argument derives from a strong liberal, antimilitary stance. Many liberals feel that under no condition should the United States support a military regime in Peru (or elsewhere); that all are basically totalitarian and will therefore do more harm than good in the long run (perhaps even in the short run). It is not difficult to find examples supporting liberal preconceptions in the current Peruvian context. In the field of education, for instance, we have noted cutbacks in "academic freedom" embodied in the

versus Latin American Reality." *Foreign Affairs* 48, no. 3 (April, 1970): 494–508.

[30] K. B. Griffin and J. L. Enos, "Foreign Assistance: Objectives and Consequences," *Economic Development and Cultural Change* 18, no. 3 (April, 1970): 313–327.

university reform. The military move against the opposition newspaper *Expreso* might be cited by liberals to prove their point. But the argument is ideologically based. It has little to do with whether or not the Peruvian military government can bring about economic growth or social change more rapidly than would occur through a traditional system of political parties. Whether or not the government is military or civilian may have little to do with the positive or negative effects U.S. resources could have if provided to support specific development decisions.

Another argument for withholding foreign assistance to Peru is that Peru lacks sufficient absorptive capacity. Until there is evidence that resources can be effectively used, it makes little sense to release the resources. Indeed, many examples can be cited of inefficient administration and allocations of money or people to projects that collapse immediately once the money has been used up or once the foreign advisers have left. Thus, the argument has surface validity.

But the lack of absorptive capacity can be exaggerated and the argument overdrawn. The fact that resources have been improperly utilized in the past does not lead in an obvious manner to a policy of withholding resources. We should first recognize that at least part of the blame for misallocation of foreign assistance must lie directly at the feet of the U.S. administrators and advisers. Often projects were pressed upon Peruvians that were not wanted or requested, projects for which the society was not yet prepared. Where such was the case, there is a question whether it was low absorptive capacity or failure to identify the appropriate areas for investment that caused foreign assistance to flounder.

If absorptive capacity is indeed low, what may be called for is a policy stressing investments that are directly aimed at building up the absorptive capacity. For instance, insufficient training for individuals in key positions has often been identified as a deterrent to effective use of foreign assistance. Rather than withhold resources, a policy of rechanneling resources into training might be appropriate.

In the specific case of higher education in Peru, we encounter an argument that U.S. involvement inevitably breeds conflict, hence is counterproductive. Ubiquitous "Yankee go home" graffiti on university walls are cited to show that the U.S. presence provokes

university disorganization and that therefore support should be withdrawn. In Peru, the argument is weak. It could become stronger if students become even more politicized as they react to reforms of the military government, but generally, student protests have not been directed against the presence of U.S. citizens working or studying in Peruvian university settings. Rather, protest is against the U.S. economic presence in Peru. Even though the governments have been at odds, U.S. individuals have been able to continue their work in Peruvian universities on a person-to-person or institution-to-institution basis. True, there is suspicion that the U.S. money and U.S. scholars are tied to the CIA, and a link is often made between academic and economic goals; but there is also a pragmatic and personal side to relationships within the university community that works to overcome that suspicion. If, on the other hand, suspicion is fed by a Camelot or by unnecessary, boastful advertising of U.S. programs to the point where the programs appear to be motivated by political self-interest rather than humanitarian or scholarly concern, the United States can legitimately expect problems. (Perhaps one of the errors of the Alliance for Progress has been the inordinate public-relations overtone that pervaded Alliance projects from the beginning.)

Related to the argument that infusions of U.S. funds can be counterproductive because they are disruptive is another, less obvious point. Resources are scarce, and there is competition for the scarce resources among institutions and within institutions. Inevitably, some institutions and departments will be placed at a disadvantage because they have not received foreign funding. In Peruvian higher education, U.S. assistance has favored two universities. Even though the reasons for the choice may be economically sound, political repercussions could offset the economic advantages. More specifically, as norms are established by CONUP for accrediting universities (norms that emphasize the very factors for which some but not others have received extensive external assistance), political infighting within CONUP will probably intensify. Disputes will influence, as well as reflect, patterns of distribution from abroad of men, money, materials, and training grants among universities. Whether the long-run effect will be to undermine or to strengthen CONUP remains to be seen. Again, a conclusion that resources should be withheld does not flow naturally from the discussion. What does emerge is the need to be sensitive to latent effects any educational involvement may produce, among which is conflict over resource distribution.

It is not unusual to hear another set of arguments (usually from Latin Americans) that, in the extreme, also lead to a "no support" policy conclusion. In brief, the argument is that, by its very nature, all U.S. assistance helps to perpetuate (and even to increase) dependence on the United States and that true development cannot occur until Peru achieves an independence of action that is now missing. If applied literally, there is no room to maneuver. However, as pointed out in the introduction, the fact that most societies have multiple goals provides an opportunity to seek policy in an area of overlap. The problem then becomes one of locating points at which the concern about domination gives way to competing concerns. I think there must be some skillful reading between the lines to arrive at policy implications. Cues should probably be taken from actions rather than from words.

In higher education, a charge of developing or perpetuating cultural as well as economic domination over Peru is frequently levied against the United States. The threat of cultural domination, linked as it is to influencing thoughts and long-standing patterns of behavior, is at once more serious and more tenuous than the threat of economic domination linked to control of capital and markets. To the extent that Peruvians are firmly grounded in their own culture, which I believe most are, the concern with cultural domination is a questionable issue. If cultural domination is occurring, it is not the university but the movie theater that should be examined closely.

Transplanting U.S. institutional forms within education is sometimes viewed with alarm as cultural penetration. However, the main effect seems to be that transplants are rejected or function in a different manner from that intended; that the cultural effects of institutional transfers are minimal. Indeed, the main reason for much of U.S. ineffectiveness in technical assistance is directly related to cultural insensitivity. There should be little fear, then, of the damage that North Americans can do in the cultural sphere and there should be little support for cutting off U.S. involvement in Peruvian higher education simply because of anticipated cultural encroachment. Still, the *fear* of cultural imperialism remains,

rightly or wrongly, and that fear must be recognized, both in formulating policies and in implementing them. That such fears exist, however, should not prevent a search for critical areas in which both governments agree that U.S. involvement could be beneficial to Peru and in which interested groups (including students) feel cultural compromises are not required.[31]

Having examined several reasons used to support a policy of withholding or withdrawing foreign assistance from Peruvian higher education, we can assume that an appropriation for foreign assistance will continue to be made and that a flexible amount is available for investment in education in Peru. Consideration can now be given to other threads in the policy fabric.

What institutional mechanism(s) for transfer of resources should be favored? Let us consider the following alternatives: (a) transfer through multilateral organizations such as UNESCO, IDB, the World Bank, OAS, or the Zona Andina regional organization; and (b) transfer through bilateral arrangements either directly from the United States government or indirectly through a nongovernmental U.S. institution such as a university to the Peruvian government or a nongovernmental Peruvian organization.

There is a strong argument for the present U.S. policy of diverting resources available for foreign assistance between bilateral and multilateral agencies. By so doing, a choice of places to seek funding is made available. Perhaps the greatest advantage, however, is that by spreading available funds there is less chance of becoming locked into major organizational problems that might develop if funds were concentrated in a single institution. Therefore, moves to concentrate foreign assistance efforts in any one agency and to phase out bilateral programs should be reviewed with extreme care.

Still, pressures are strong for the United States to switch much or all of its foreign assistance to multinational agencies and to abandon the present bilateral structures. By so doing the United

[31] That agreement is possible is suggested by my experience at one university where several radical professors who expressed deep concerns about economic and cultural imperialism nevertheless had no difficulty coming up with the suggestion that they needed and would accept assistance in the form of a computer. Surprisingly, that assistance was not looked upon as involving cultural encroachment by the United States.

States could withdraw many of its expensive administrative personnel from the field, could presumably relieve itself from criticisms that assistance is used solely for political purposes, and could hopefully side-step charges of economic and social imperialism.

Unfortunately, a shift to multilateral agencies will probably not bring the anticipated results. It would seem, for instance, that unless the United States is willing to remain politically detached, the multilateral approach can be used as easily for political ends as the bilateral approach. As illustrated by the Powelson paper,[32] the temptation to manipulate international agencies is present, particularly in the IDB, where the United States may exercise its "veto." Whether or not loans are cut off as a result of U.S. political problems with a country or whether loans from a multilateral agency are halted in response to changing economic conditions in a country, criticisms will be forthcoming.

By putting educational investment decisions in the hands of international organizations, priorities and projects would theoretically originate with the potential recipient; there would be less chance of an "imposed" program from the United States. But I think we can question whether shifting from bilateral to multilateral transfer of resources does assure a greater voice for the recipient country in setting its own priorities. The shift might give countries less leeway than before. One of the problems that could easily develop and that is incipient if not present already in most multinational organizations is the problem of political infighting over limited funds. Priorities must still be established. How? There is a tendency for funds to be allocated "by the numbers," cutting out some good projects that deserve funding and incorporating others merely because a particular country has not had a project approved before. Or, some nations are more successful than others in lobbying or in placing their own people in decision-making positions within the international organization, thus obtaining a favored position.

There is no immediate reason why Peruvian control over priorities and projects could not be as great or greater under a binational as under a multinational arrangement. As pointed out in outlining broad policies, money could be made available at the level of the

[32] See chapter 4.

national budget. Education would then get whatever share the Peruvian government decided it should get. Of course, there is the possibility that resources would be withheld until the Peruvian national budget approached a distribution that the United States thought appropriate. In such a case, resources put in at the national level would give only an illusion of Peruvian control. Note that even if, under a bilateral arrangement, funds were made generally available, a policy decision would have been made, in effect, that the government rather than the private sector should set priorities.

Alternatively, under a bilateral arrangement, resources could be made available *for* education but without stipulating priorities *within* education. There is really little difference between this alternative and the previous one, because budget monies made available for education would free budget constraints elsewhere. Just as in the above alternative, the United States could withhold funds until priorities were brought more closely in line with a preconceived "ideal." And the United States would again be implicitly making public-private choices as discussed above.

Another method of treating funds made available for education in general through a bilateral agreement might be to handle the funds through a special commission created to review projects in the field of education. The commission, which could be all Peruvian or joint Peruvian-U.S., might both review past projects and make recommendations for future projects. Research funds for carrying out the review might be built into each project from the start and the commission might even have a small research staff at its disposal. By creating a commission, members from the private as well as public sectors could be represented in the decision-making process.

Throughout the SECPANE era, a joint U.S.-Peruvian commission existed in effect, but, as pointed out previously, the control was with the North American members. My impression is that the same dominance could not occur as easily today. Furthermore, the commission could include members from outside the Ministry of Education (which the SECPANE group did not do), much as is being done for the current educational reform commission. The same scheme might be used exclusively for higher education.

Although it is probably true that the bulk of United States assistance to Peru cannot now flow through bilateral channels, it is also worthwhile to explore ways in which bilateral channels might be made more "respectable." One alternative would be for the U.S. government to loosen up on its grudging attitude toward turning funds over to private national institutions in Peru, which would then administer the funds. A model for such an arrangement exists in the Instituto Peruano de Fomento Educativo.

Under what conditions should resources be released? I will consider three sets of conditions briefly: conditions related to political sanctions (Hickenlooper and others), conditions tying purchases of goods and services to particular markets, and repayment conditions.

At present, the many political conditions that are attached to bilateral agreements tend to make a mockery of U.S. assertions that the government is seriously interested in supporting the continuous economic and social development of Latin American nations. Assistance can be (and has been) cut off solely on political grounds in Peru and elsewhere.

In the political world in which we live, sanctions may be necessary. But should all programs be candidates for use as sanctions? There has obviously been an effort to distinguish areas in which to apply sanctions. In education, for instance, a distinction seems to have been made between university and other educational programs. Although the TCCU team was pulled out, other U.S. advisers remained in universities. The principle is there, however, and unless education is formally exempted, it will be subject to the same conditions as all other forms of assistance. Even if one accepts the principle of applying sanctions it does not follow that because a fishing vessel involves the United States and Peru in an international dispute, an ongoing educational program developed at great expense over several years should be threatened. If the United States is strongly convinced (as it seems to be) that educational improvement is a key to more rapid development in Latin America, perhaps educational programs should be exempted from serving as points of political pressure and should not be subject to cutoffs under Hickenlooper or other conditions that presently pertain to all forms of technical assistance.

U.S. bilateral assistance has been conditioned in the past by balance-of-payments considerations. Recipient countries were required to use most of their grant monies to purchase U.S. goods and

services. The condition not only prevented local purchase but also symbolized U.S. domination. This is no longer true: purchases may be made in other Latin American countries if desired. One of the advantages in removing the condition is that there is now greater freedom to hire nationals for formulating, administering, and evaluating programs of foreign assistance. In the past, even though talent existed locally, it was difficult to contract. But the question arises, "Should the United States open up the purchase option to a broader area than Latin America?" Then, for instance, it would be possible for Peruvian educators to hire with U.S. money an expert on educational television from, let us say, Germany.

Turning to repayment conditions, a paper on education is not the place to try to detail whether soft or hard loans or grants are preferable and under what circumstances. Let me simply note one or two problems with soft loans and grants—favored forms of educational support. If the return to education is as high as governments seem to think it is, then a case might be made for charging higher rather than lower rates on educational loans. A problem with giving education a preferred status in the loan market is that governments (including Peru) apply for loans that would normally be financed from the regular budget, thus freeing budget money for another project that is lower on the priority list that would require hard financing, or that is politically sensitive and therefore not fundable.

To whom should resources be directed? If a multilateral path to transferring resources is chosen, there would be no need for the U.S. government to consider choices among recipient institutions in Peru; that would be determined by the multilateral agency. If bilateral assistance is continued, however, the U.S. government will be faced with difficult choices. With respect to future support for higher education, for example, a major question will be whether or not to channel all, or part, or none of the foreign assistance through CONUP. As indicated earlier, CONUP has the force of law but is also subject to political pressures from the universities, which may weigh more heavily than legal status. Failure to support CONUP at this juncture might hasten its demise. Yet if only CONUP is selected, private universities will be at a disadvantage.

One might argue that if CONUP does not care to or is not able

to draw up a request for U.S. assistance, then the United States should seek (or be open to) alternative channels for funding the development of higher education (which would, in effect, mean returning to previous policy). It should not be difficult for a request to be formulated by CONUP dealing with data gathering and processing, or research, or textbook procurement, or overhauling the admissions procedure on a national scale or coordinating programs of foreign study by university professors. The problem may be, however, that a vicious circle is operating. The organization cannot find time to draw up a request for help, and without help, it cannot deal with the problems that are filling the limited time and sapping talent available to the organization.

At the secondary and primary levels, the U.S. government might be more open to requests from agencies outside the Ministry of Education than it has been in the past. When discussing multilateral and bilateral assistance above, I suggested establishing a commission to make allocations comprised of non-Ministry as well as Ministry people.

What are the priorities governing resource allocation? From one perspective, we have arrived at the really crucial set of questions to be answered. Policy should depend on the educational "needs" identified. The amount, conditions, mechanisms for transfer, and receiving agencies may differ depending on whether literacy training or equipment for a science laboratory in a university is deemed more important.

From another perspective, decisions about the final disbursement of foreign assistance funds are second-level or third-level decisions. Policy goals must first be clearly established within which identified needs are to be judged. Another previous decision involves whether or not to channel all assistance through an international agency or through a Peruvian organization that will then make decisions about the investments. If the latter choice is made, the implication is that the United States would be willing to live with allocation decisions of a multilateral or Peruvian agency handling U.S. money, even though the United States might disagree with the use to which the funds were put. Such a posture might seem naive, but might be defended on at least two grounds. First, there is little evidence that the U.S. "experts" have been able to avoid mistakes;

they have no monopoly on the wisdom of allocation. Second, learning to allocate funds wisely may be a trial-and-error process. The most important result of assistance, then, may be to help Peru and Peruvians discover themselves and to arrive at a better policy through trial and error.

Wherever the decisions are made, the first and most important level at which the question "for what?" must be attacked is that of choosing between allocating funds to educational or noneducational projects. As indicated by my analogy between education and a miracle drug, my own feeling is that education should not be overdone; that massive injections of education will have little effect unless other features of the social setting are changing at the same time. Perhaps the United States would perform a service for Peru at this point in time by refusing to give educational aid, thus providing an excuse for decreasing the relative investments in education by the government until the social and economic social structure brings expectations and opportunities more closely in line or until an evaluation can be made. But Peruvian investment in education cannot stop altogether. Hence, a series of choices must be faced (whether by Peruvians, multilateral agencies, or the United States) concerning the manner in which those resources to be devoted to education will be allocated within the broad field of education.

Consider, for instance, the choice between investing in formal versus nonformal education. If it is decided that emphasis should be placed on education outside the schools, we should be led to consider such a possibility as creating incentives for U.S. and other industry in Peru to invest beyond the level that they might ordinarily invest in the training of Peruvians.

Rather than try to elaborate on a long list of projects, let me simply round out the discussion by listing several major areas of choice: public versus private education, rural versus urban education, primary versus secondary versus higher education, and technical versus general education.

Conclusions

First, policy might *emphasize the decision process* rather than the results of the decision process. That is, resources might be directed toward improving the ability of people and institutions to make decisions rather than toward a series of specific outcomes

such as increasing primary enrollments to a certain percentage of the age group. Such a policy orientation might lead to Peruvian-U.S. agreement concerning the following kinds of requests: money for CONUP (or other organizations responsible for making allocation decisions) to improve the information base from which decisions are made; resources for training decision makers, particularly in the art of evaluating information that is (or could be) made workable; or funds for short-term researchers and consultants on specific issues that the organization does not feel are within its specific competence and for which training is out of the question.

Second, this is *a time for listening*. Listening is an active process, but it does not necessarily lead to additional initiatives. Indeed, this is a time *for communicating*, not for taking initiatives.

Third, if there is to be effective communication between Peruvians and North Americans regarding the desirability of one versus another form of cooperation for Peruvian development, it will be essential for U.S. policy makers to admit that independence from foreign vulnerability is indeed an existing and legitimate Peruvian goal. It will also be necessary to establish to what degree the goal is sought for its own sake (even though it competes with economic growth) and to what degree it is seen as a prerequisite to economic growth or redistribution.

One of the most obvious means of dealing with the desire for self-determination would be to withdraw from *all* forms of providing assistance, noting that the Peruvian desire for independence requires withdrawal and that the desire coincides nicely with the growing neo-isolationist sentiment that characterizes much of the United States today. It does not follow, however, that the best interests of either the United States or Peru would be served by a neo-isolationist posture, even though that might be the easiest position to take at this time.

To react too strongly to the Peruvian drive for international independence would be to respond in terms of only one goal. It is highly probable that the government of Peru, as it pursues multiple and conflicting goals, does not feel massive retreat by the United States would be in its best interest. Presumably, the Peruvian desire for both economic growth and for redistribution can still provide a meeting ground as goals that are in the best interests of both parties. And education seems to be one area that can serve both

growth and redistribution goals simultaneously. The problem, then, becomes one of exploring alternatives to bring mutual benefit with the limiting consideration that such alternatives should also serve to reduce Peruvian dependence on the United States or, more positively, to enhance Peruvian self-determination.

Finally, the inevitable uncertainty associated with efforts by societies to change themselves dictates *flexibility*—both institutional and intellectual flexibility—from those responding to that change. Institutional flexibility might include simply cutting red tape so that existing mechanisms can work more easily, or it might require elaborating entirely new forms for responding to Peruvian initiatives. Intellectual flexibility within the field of education implies a broad view of education as linked to other social institutions and a freedom from our contemporary preoccupation with schooling and with the "goodness" of all education. Intellectual flexibility also implies an acceptance of uncertainty, of instability, and of conflicting social goals, not the least of which is the goal of self-determination.