

Chapter One

A CONUNDRUM: REFORM DESPITE THE ODDS

THIS BOOK POSES a conundrum for political analysis: How can we account for successful reform initiatives when the political cards are stacked against change? Education reform, which was high on political agendas throughout Latin America in the 1990s, is an intriguing case for posing this question. Definition of objectives and means, the interests of winners and losers, and shifting burdens of responsibility and accountability were among the many factors that brought reformers, politicians, teachers' unions, education administrators, governors, mayors, and others into conflict over the nature and scope of education policy during the decade. In these conflicts, the lineup of antireform forces was almost always imposing; support for change was, at best, lukewarm; and political institutions were usually unfriendly to initiatives that would alter the status quo.

Despite these political odds, at least twelve countries in Latin America introduced important changes in national education policies during the 1990s.¹ Defying predictions that they would shy away from contentious issues, politicians supported many of these changes, even in the face of mobilized opposition, acrimonious debates, and resistant bureaucracies. Although the reforms were not always as thoroughgoing as their proponents hoped, introduction and at least partial implementation of new education policies was a notable characteristic of the decade. How did this happen?

The mobilization of interests and the distribution of institutional power are important factors in understanding the origin and nature of conflicts over policy. But neither interests nor institutions fully account for policy reforms that occur despite the political odds. In such cases, it matters a great deal how policy changes are introduced, approved, and implemented and how reformers manage this process as it unfolds over time. Often, the policy process introduces opportunities to alter the political equations and institutional biases that impede change. This is what made it possible for Latin America's reform proponents in the 1990s to create conditions under which new education policies could be introduced and sustained in political and bureaucratic environments rife with opposition. This book focuses on explaining these unexpected outcomes.

Most analysts of education policy seek to assess efforts to improve conditions in the sector—increasing the efficiency with which services are deliv-

ered, reducing illiteracy and repetition rates, boosting student learning through new curricula and pedagogy, measuring the impact of standards-based testing, evaluating the results of school autonomy, and so forth. Research to assess the efficacy of various policy alternatives for improving education is a centrally important undertaking. But this kind of analysis usually takes the process of reform for granted—how improved education becomes part of a political agenda, how reform initiatives are developed, what interactions and negotiations shape or alter their contents, how important actors and interests respond to change proposals, how initiatives are implemented and sustained once they are introduced.

These are the issues I seek to address; my objective is to understand the political dynamics that make alternative policy choices possible. Thus, when I refer to reform, I am not making a normative judgment about the appropriateness or goodness of specific change proposals, but simply signaling deliberate efforts to make changes in policies about education. The reforms undertaken may or may not improve the quality of services; I leave this determination to education specialists. My focus is instead on the politics surrounding initiatives for bringing about change.

Centrally, I am interested in how reformers find room for maneuver in introducing new policies, particularly when new policies are politically contentious. But I am also interested in the limitations reformers face when they are not sufficiently sensitive to important sources of resistance or where the forces of opposition overwhelm change initiatives. Indeed, my findings indicate some ambiguity about the future of education reform where the support of teachers has been ignored, where hostile unions continue to oppose change, and where incentives for politicians, administrators, teachers, and parents work against new initiatives. In detailing some cases of relatively successful reform, I hope the following chapters represent a challenge to those who doubt the possibility of change; in detailing some failures, the book can also be a basis for considering how the politics of reform might be approached differently the next time around. At the most general level, it should provide insight into the tension between the interests and structures that inhibit change and the ability of reform agents to promote it.

ADVOCATING FOR CHANGE

Throughout Latin America in the 1990s, advocates of change argued persuasively that better education was critical if countries were to wage effective battles against endemic poverty and inequality, if they were to gain advantages from rapid globalization, and if they were to build and sustain democratic citizenship and institutions.² They routinely urged politicians

to commit more resources to education. Research centers, universities, and think tanks produced numerous studies of the problems of current systems and the imperatives for change. Similarly, international discussions during the 1990s emphasized the importance of education to political, social, and economic development.

These advocates had good reason to stress the importance of attending to problems of public education. While most Latin American countries had achieved respectable literacy rates and widespread access to primary schooling by 1990, the region faced old and new education challenges. Increasing the supply of education was an ongoing problem. Some countries—Argentina, Bolivia, Chile, Panama, and Uruguay—had managed to achieve an average of eight years or more of schooling by the 1990s, but this average was five years or less in Brazil, El Salvador, and Nicaragua.³ Secondary school completion rates were below 20 percent in Honduras and Nicaragua, under 40 percent in Costa Rica, Paraguay, Brazil, Ecuador, El Salvador, Mexico, and Venezuela, and did not reach 60 percent in Argentina, Chile, and Peru.⁴ Because education is a critical factor explaining the persistence of inequality and poverty, the failure of the region to provide this service more effectively indicated a more general failure to address divisive social ills.

A second problem was that of investment in education. In many countries, the social sectors had borne the brunt of austerity budgeting during the economic crises of the 1980s; by the early 1990s, mounting evidence of the deterioration of services and coverage could not be ignored. Regionally, between 1980 and 1985, public expenditures on education declined by 18 percent, and while some countries began to reverse the trend in the latter half of the 1980s, other countries did not.⁵ Expenditures declined as a portion of GNP between 1980 and 1991 in Costa Rica, the Dominican Republic, Ecuador, El Salvador, Mexico, Paraguay, and Uruguay.⁶ Teacher pay fell throughout the region and absenteeism increased as teachers, like many of their students, abandoned the classroom to find means to contribute to fragile household incomes. Textbooks and educational materials, school breakfasts, teacher training, and other critically important inputs suffered significant cutbacks.

Thus, by the early 1990s, many ministries of education had made no substantial investments in expanded or improved facilities for a decade and were spending almost all of their budgets on salaries for personnel. In practice, this meant schools fallen into decay, no restocking of textbooks, no equipment replacement or repairs, and demoralized employees working two or even three jobs in order to make ends meet. In addition, a variety of perverse incentives for teachers and administrators undermined performance in the classroom and in organizations responsible for education services.⁷ Access to education was unequally distributed

between urban and rural areas and, during the decade, many families with the resources to do so exchanged publicly provided services for private ones.

But the concerns of most reformers went beyond issues of improved access to education and greater investment in the sector to a third problem. Increasingly, they were worried by evidence that the quality of education was low and, at times, abysmal. Many children attended school but learned little, an alarming number of them repeated grades, and dropping out of school with only a few years of education was the most frequent response to classroom failure and household economic need. Latin America's children did poorly on assessments of their accomplishments in mathematics and language, and scores systematically revealed differences between rural and urban schools and public and private ones. Increasingly, education experts asked if these children were going to have anything but dismal futures in an increasingly competitive global labor market.

Advocacy for responding to such concerns was advanced when innovative ideas for new programs and policies were communicated more frequently and rapidly by the internet and when their circulation coincided with extensive international dialogues about human development. Comparisons of country achievements using a variety of social welfare indicators increased government sensitivity to their international reputations. To add further to the interest in change, international development agencies increased their loan portfolios in education and became important advocates of reform and of particular approaches to improved teaching, learning, efficiency, and effectiveness. More generally, rapid globalization encouraged new concerns about the probable destinies of countries with low skilled labor forces but with wage structures that made them internationally uncompetitive.⁸

In addition, the political context in many Latin American countries was ripe for increased advocacy of reform. Democratic institutions were in place in almost all countries in the region by 1990, and the adoption of a variety of neoliberal economic reforms had increased citizen concern that governments were seeking market solutions to public problems regardless of their implications for equity, welfare, or national integration.⁹ The number of NGOs and community organizations interested in social conditions mushroomed during this period.¹⁰ Moreover, in some countries, powerful economic ministries were becoming more concerned about the efficiency of public sector investments and more aware of the importance of political and social conditions to international competitiveness. Considering only these factors, the situation seemed propitious for promoting education policy change. But new policies would also unleash contentious political realities.

NEW POLICIES, NEW POLITICS

By the 1990s, advocates for education policy change believed that reformed systems should increase the amount of learning in the classroom and that they should provide citizens with appropriate skills to lead productive lives in the twenty-first century. They argued that educational management had to become more efficient and should be the responsibility of those best able to oversee the day-to-day delivery of services. They were adamant that education be delivered by those with the knowledge and incentives to do it well.¹¹ Within this broad consensus, many models for how to achieve these objectives vied for the attention of reform advocates.

To turn the vision into reality, multiple reform proposals of the 1990s centered primarily on improving educational quality. Quality enhancement meant addressing the problem of poor management and inefficient use of resources by increasing accountability and reallocating responsibilities for performance. In the most ambitious reforms, states, municipalities, school directors, or local school boards were to be given responsibilities for hiring, promoting, disciplining, and firing teachers; national ministries were to be restructured, their jobs newly defined as setting national standards, monitoring outcomes, and financing rather than day-to-day tasks of classroom instruction. New initiatives would include efforts to reduce repetition and dropout rates by altering curricula and changing pedagogy. Multiculturalism and bilingual education were often part of such proposals. More attention to teacher training and monitoring often went hand in hand with proposals to tie salaries to performance and to greater accountability to supervisors or local communities. National standards were an important ingredient of reform ideas in several countries, and reform advocates supported regular examinations of student and teacher performance.

These kinds of reform proposals introduced new political dynamics into the process of policy making and implementation. In earlier periods, many Latin American countries promoted policies to increase access to education and, during the 1950s, 1960s, and 1970s, schooling was expanded to many rural areas and to poor children in mushrooming urban squatter settlements. At the center of these access policies were efforts to increase education budgets, train and hire more teachers, build more schools, distribute more textbooks, and administer more programs.

In general, these reforms were politically popular. Although they cost money and required some administrative capacity, access reforms provided citizens with increased benefits and politicians with tangible resources to distribute to their constituencies. They created more jobs for teachers, administrators, service personnel, construction workers, and textbook and

TABLE 1.1
The Politics of Access and Quality Reforms: A Comparison

	<i>Access Reforms</i>	<i>Quality-Enhancing Reforms</i>
Typical actions to carry out such reforms	<ul style="list-style-type: none"> • Build infrastructure • Expand bureaucracies • Increase budgets • Hire administrators • Hire service providers • Buy equipment 	<ul style="list-style-type: none"> • Improve management • Increase efficiency • Alter rules/behavior of personnel • Improve accountability • Improve performance • Strengthen local control
Typical political implications of such reforms	<p>Creation of benefits:</p> <ul style="list-style-type: none"> • Jobs • Construction and provisioning contracts • Increased budgets • Increased power for ministries and managers 	<p>Imposition of costs:</p> <ul style="list-style-type: none"> • Loss of jobs • Loss of decision-making power for some • New demands, expectations, responsibilities for others
Typical political response to such reforms	<ul style="list-style-type: none"> • Unions of providers welcome reforms and collaborate with them • Politicians welcome tangible benefits to distribute to constituencies • Communities are pleased to receive benefits • Voters support changes 	<ul style="list-style-type: none"> • Unions of providers resist reforms • Administrators seek to ignore or sabotage change • Many politicians wish to avoid promoting reforms • Many voters are unaware of changes (at least in the short term)

school equipment manufacturers. They increased the size and power of teachers' unions and central bureaucracies. In fact, unions were often among the principal advocates for broader access to public education. Given these characteristics, it is not too much to argue that these reforms were "easy" from a political economy perspective.

This could not be said of most of the 1990s initiatives in education. As indicated in table 1.1, quality-enhancing reforms generally involved the potential for lost jobs, and lost control over budgets, people, and decisions. They exposed students, teachers, and supervisors to new pressures and expectations. Teachers' unions charged that they destroyed long-existing rights and career tracks. Bureaucrats charged that they gave authority to those who "know nothing about education." Governors and mayors frequently did not want the new responsibilities they were to be given. Parents usually did not participate in designing the reforms, often did not understand them, and generally deferred to professionals in mak-

ing judgments about educational quality. Although public opinion singled out education as a critically important problem, and reform advocates were frequently eloquent in promoting new initiatives, the politics of putting them in place and implementing them were contentious and difficult, a far cry from the situation faced by promoters of access-type reforms. Indeed, when reformers failed in efforts to introduce significant quality-enhancing reforms, politicians were pleased to fill the gap by reverting to more popular activities like building schools and improving infrastructure.

Moreover, when compared to some of the economic policy reforms that were introduced in the 1980s and 1990s to deal with high levels of debt, spiraling inflation, and severe fiscal and trade imbalances, quality-enhancing education reforms shared a number of characteristics that made their adoption and implementation significantly different and, in some ways, more difficult. Many of the first generation economic reforms, for example, required that governments give up or scale back on functions involved in regulating markets, managing complex tariff regimes, or licensing a variety of economic activities.¹² These changes had political costs in terms of public sector job losses and administrative reorganizations, and they were often conflictful. Nevertheless, their primary purpose was for government to do less rather than more.

In contrast, education reforms meant that central government ministries of education would have to take on new roles and pursue old ones more effectively and efficiently. Often, regional and local governments were expected to take on responsibilities they had never carried out before. These education reforms required that governments do more rather than less.

Similarly, some of the first generation economic reforms could be put in motion with little more than the stroke of a pen—devaluation and deregulation are good examples. Although difficult to decide upon, they were relatively easy to implement. Second generation reforms like those in education, however, required long chains of implementation activities and decisions. Ultimately, education changes had to be adopted at the classroom level if they were to improve the extent to which children learned critical skills and abilities; this meant that multiple layers of implementers needed to be on board for new initiatives to succeed. At any point in a long chain of decision-making responsibilities, reform activities could fall victim to sloth, political contention, mistaken judgment, organizational jealousies, and logistical tangles.

Moreover, these changes meant that governors, mayors, bureaucrats, teachers, students, parents, and communities needed to adopt new ways of thinking and behaving and learn to be more accountable in multiple ways. And, to add to the complexity, the benefits of these reforms would

become evident only over the long term when students began to demonstrate that their lives were more productive and that they had expanded choices about their economic and social destinies. Generating and sustaining interest in them was therefore an additional challenge.

In comparing the political difficulty of social sector reforms to earlier macroeconomic policy changes, Joan Nelson has written that they are “a different ball game, with far more actors, less leverage, different fields of play, a much longer playing period (with unpredictable time-outs), and uncertain scoring.”¹³ In fact, the education reforms of the 1990s were so complex and politically contentious that it was reasonable to assume they would fail to be adopted, implemented, and sustained. That reform proponents might ever succeed was, according to many analysts, a long shot.

THE ODDS AGAINST REFORM

In Latin America in the 1990s, quality-enhancing education reforms presented a classic case in which those opposed to reform were highly organized, very vocal, and politically important. In contrast, those who might benefit from change were generally unorganized, dispersed, and politically quiescent. Moreover, political institutions tended to be biased against changes in policies about education. Yet, in country after country, reform happened, as indicated in table 1.2.

The table challenges important approaches to political economy—how do they explain the incidence of considerable reform progress in political landscapes seeded with the potential for failure? Many of those who study the politics of reform identify sources of conflict, dissent, and resistance to change. They do so by asking probing questions about who will be hurt by reform and who benefits from the status quo. They are concerned to explain the factors that underlie the maintenance of inefficiency, inefficacy, and inequality and the kinds of conflicts that will surround efforts to introduce change. They often assess the ways in which institutions privilege powerful interests and place obstacles in the path of reformers. These are critically important factors in the politics of reform. By focusing on sources of conflict, resistance, and constraints, however, political economy models that focus on winners and losers or on institutional constraints tend to overdetermine failure and underexplain the potential for change.

Winners and Losers in Conflict Equations

A dominant theme in formal political economy is the way in which proposed policy changes create material winners and losers.¹⁴ In the generic analytic case of the politics surrounding reform initiatives, losers are

TABLE 1.2
Education Reform Initiatives in Latin America*

<i>Country</i>	<i>Date</i>	<i>Substance of Reform</i>	<i>Extent of Implementation**</i>
Argentina	1977	Transfer of primary schools to provinces	High
	1991	Transfer of secondary and remaining primary and vocational schools to provinces	High
	1993	National education law: responsibilities of national and provincial governments; curriculum reform; national testing of students	Moderate
Bolivia	1994	Institutional development of ministry of education	Moderate
		Curriculum reform, bilingual education	Moderate
		Teacher training and professionalization, new standards for hiring, promotion	Moderate
		Girls' and rural education emphasis, school councils	Moderate
		National testing of students	Moderate
Brazil (dates vary by states)	1980s–1990s	Decentralization and school councils	Moderate
		Financial autonomy of schools	High
	1990s	Democratization of selection of school principals	Moderate
	1983–1993	School councils	Moderate
	1988	National testing for students	High
	1991	Autonomy to municipal education systems	High
Chile	1993	National ten-year plan for education	Moderate
	1981	Devolution of administrative responsibility to municipalities	High
		Voucher system	High
	1990	Poverty reduction program	High
	1991	Recentralization of labor relations	High
	1993	Improved pedagogy	Moderate
	1995	Greater school autonomy	Moderate
	1997	Financial incentives for school performance	Moderate
Colombia	1989–1993	Decentralization to municipalities and school autonomy	Moderate
	1994	National education law strengthens departmental (state) role in education	Moderate
Costa Rica	1996	Incentive pay to teachers	Moderate
	1996	Commitment of 6 percent of GDP to education	Moderate
		More days of schooling	High
		Teacher pay linked to performance	Moderate

Table 1.2 (*cont'd*)

<i>Country</i>	<i>Date</i>	<i>Substance of Reform</i>	<i>Extent of Implementation**</i>
Dominican Republic	1997	National education law: decentralization/ community participation; curriculum reform; teacher/school director training; national testing of students	Moderate
Ecuador	1996	New structure for basic education	Moderate
		New pedagogical model	Low
	1998	Decentralization	Low
		Parent councils	Low
El Salvador	1999	Teacher evaluation	Low
	1991	Family subsidies	Suspended
		Decentralization of rural schools, community councils, school autonomy	Moderate
Guatemala	1996	National education law	Moderate
		Teacher career	Low
	1991	National education law	Low
		1993	National education development program
	Infrastructure and textbooks, parent councils		Moderate
Honduras	1994	Decentralization	?
	1995	Decentralization	?
	1996	National education law	Low
Mexico	1992	National education improvement plan	Low
		Decentralization to state level	High
		Parent councils	Low
		Career ladder for teachers	Moderate/low
Nicaragua	1991	Curriculum reform	Moderate
		Parent councils	Moderate
		Curriculum reform (textbooks)	High
Panama	1993	School autonomy	Moderate
	1997	Regional and local school councils	Moderate
Peru	1992	Decentralization to municipal councils	Suspended
		Municipal council manages labor relations	Suspended
		Voucher system	Suspended
Uruguay	1995	National testing of students	Suspended
		Expansion of schooling	Moderate
		Teacher training	Moderate
		Curriculum reform	Moderate
Venezuela	1989	Decentralization to states	Low
	1990	Teachers' career	Moderate
		Public funds for private education	High

* The table includes "meaningful" reforms—those whose purpose was to introduce significant changes in the education system—as well as those that were more symbolic than real. Inclusion in the table does not imply successful implementation of the initiative.

** Extent of implementation is an estimate of the degree to which a reform had been put in practice by the end of the decade. It does not refer to the degree to which the changes have actually improved the quality of education delivered.

clearly aware of their potential losses and quick to oppose change, while winners are much less likely to benefit in the short term or be aware of long-term gains. Losers have incentives to organize to protect the status quo; winners lack clear incentives to organize for change and therefore face difficult problems of collective action.¹⁵ Further, reform is politically difficult because electorally sensitive politicians have incentives to postpone it, given imbalances between the power of winners and losers. In such situations, political economists find that incentives for winners, losers, and politicians conspire against many reform initiatives.

In the case of the 1990s education reforms in Latin America, this model has strong empirical referents. Almost all reforms imposed at least short-term burdens on politically important groups that readily defined themselves as losers. Most prominent among them were teachers' unions, which resisted the loss of benefits, jobs, and security. These unions were often the largest and most powerful organized groups in a country. Indeed, Mexican teachers belonged to the largest union in all of Latin America. Many of these organizations had colonized ministries and achieved privileged positions in personnel decisions. Annual job actions for improved salaries frequently shut down schools and ministries and paralyzed government decision making. If reform initiatives were to succeed, union leaders faced significant losses of power and prestige. As a consequence, nearly everywhere, the announcement of new-style education sector reforms was met by protests, strikes, and vociferous opposition from the teachers' unions.¹⁶

Bureaucrats in education ministries also frequently defined themselves as losers in proposed reforms, fearing they would lose their jobs or responsibilities or be forced to abide by new performance standards.¹⁷ And, where the provision of jobs for supporters was a fundamental characteristic of party systems, as it is throughout much of Latin America, party leaders stood to lose extensive patronage opportunities if new standards and systems were put in place. In addition, opposition political parties were often outspoken critics of social sector policy changes for both ideological and electoral reasons; the charge that national governments were abandoning their responsibilities by introducing initiatives that would first decentralize and then inevitably privatize education resonated effectively in political debates in many countries.¹⁸

Winners—parents with school-age children, citizens who benefit from living in a well-educated society, employers who need skilled workers in order to compete effectively in domestic and international markets, new entrants into the labor market—were also created by education reforms. Characteristically, however, they were not well-informed of the benefits that would accrue to them, they were unorganized, they lacked access to

policy-making circles, or the benefits they would receive were too distant to be taken seriously.¹⁹ Even employers—often well organized and influential—usually focused their political energies on other issues or sought to remedy education deficits by supporting private school initiatives, developing firm-level training for workers, or making charitable contributions to individual schools.²⁰ No doubt many winners also distrusted government enough to be wary of promises for improvement of services in the future; by the early 1990s, they had heard many such promises and yet had lived through a decade or more of disappointment with economic conditions and sluggish responses to state policies.

Thus, considerable empirical evidence supports the analytic perspective provided by formal political economy: education reforms produce winners and losers who differ significantly in the incentives to organize and influence public policy. The model provides a powerful and intuitive explanation for the existence of opposition to changes that might be socially beneficial. But reform outcomes are not a simple matter of weighing the interests that support and oppose change. Effective in identifying winners and losers, formal political economy is less able to provide insight into the factors that enhance or weaken the power of these interests, nor does it anticipate how outcomes are altered by the strategic choices of reform advocates. Significantly, it does not provide a way to understand the behavior of reformers, those “policy entrepreneurs” who commit themselves to the pursuit of change despite the odds.

Institutions That Empower Losers

Other political economists have taken the analysis of interests further by exploring the extent to which political institutions explain success and failure in reform initiatives.²¹ For example, they demonstrate how differences in power between the executive and legislative branches or differences created by the distribution of power in presidential and parliamentary systems can affect the destiny of reform initiatives.²² According to other analyses, the number of political parties, the degree of party discipline, or the extent of centralized control that party leaders have over their memberships can determine reform outcomes.²³ In reforms that pass through legislative institutions, the function of congressional committees and rules can create more or fewer barriers to change. Informal institutions such as patronage rights and clientelist networks also affect opposition and support for change. These factors, it is claimed, influence the access that winners and losers have to decision-making arenas and determine the value of their political resources.²⁴

In the generic case of reform explained by institutionalists, interests defending the status quo tend to be more powerful than those that seek

change. This is because antireformers are usually winners of prior contests over policy and, as a consequence, they have colonized institutions of power in the society and government. They use these institutions to ensure that policy favors their interests. In cases in which reform is promoted, these same institutions help them defend their interests. Moreover, institutionalists stress the extent to which reform proponents are constrained by the institutions that structure and channel their actions. As in rational choice political economy, then, institutional analyses present a general perspective in which the cards are stacked against change.

Empirically, this approach finds ready support. In Latin America in the 1990s, it was common to find ministries of education that were weak compared to teachers' unions or to observe that (reformist) ministers would come and go while (resistant) bureaucracies were entrenched. Many ministries were colonized by teachers' unions, and the close alliance between ministry and union was a frequent source of frustration to reform-minded ministers. The reliance of party systems on clientelist payoffs for supporters often worked hand in hand with the interest of unions in taking over control of the ministries. In initiatives involving various forms of decentralization, relationships among different levels of government and among different roles in the education bureaucracy were significant factors in slowing or limiting change initiatives.

To their credit, institutional analyses provide for more complex scenarios about change than do purely interest-based approaches. They acknowledge that institutions have histories that shape values and behavior and that create ongoing incentives for conflict and cooperation over time. Political institutions at times legitimate formal and informal mechanisms for overcoming resistance to change, such as opportunities for legislative vote trading and pact making to provide majority approval for reformist measures. Institutional traditions of executive dominance in policy making can also shift power relations among institutions, giving presidents greater technical capacity than legislatures to design solutions to major national problems or providing them with decree powers to avoid legislative resistance or gridlock. In fact, institutional analyses sometimes indicate how strategies for coalition building, communication, and legislative relations open up or shut off opportunities for maneuvering around constraints in introducing politically difficult reforms.²⁵

Yet, practitioners of this approach more frequently find actors constrained by institutions than situations in which agents of change alter or maneuver around institutional roadblocks.²⁶ In comparative policy research that focuses on the experiences of developed countries, in particular, researchers have frequently used differences in institutions to explain differences in policies because institutions constrain and shape the options avail-

able in particular political contexts.²⁷ In many developing countries, however, where institutions are less strong and durable, there may be more opportunities for maneuvering around the constraints they impose on reform initiatives.

Modifying Analytical Biases

Current political economy models provide insights into the incentives that motivate winners and losers and suggest how institutions shape the political fortunes of reform initiatives. Clearly, interests and institutions are important factors in the politics of reform. Yet, even in the presence of empirical evidence of strong losers and weak winners, and of institutions that privilege the status quo and constrain reformers, the interests and incentives that affect winners and losers and the biases of institutions are not always enough to understand the politics of reform.

For example, a simple arithmetic of winners and losers fails to capture the factors that affect the ability of losers to obstruct change. In the 1990s education reforms in Latin America, and in the cases to be explored in this book, unions varied considerably in the extent to which they were compromised by ties to particular political parties and the extent to which they were able to engage in actions that effectively obstructed reform. In some cases, union-party alliances strengthened the position of the unions; in other cases, such ties made it more likely that reformers could marginalize the unions. In addition, unions that represented all teachers were in a more powerful position to affect the process of change than those representing only a portion of those who worked in the sector.

Moreover, the power of losers in some countries was weakened when the teachers' unions were not widely respected by the public, their image soiled by perceptions of low levels of professionalism, the bossism of their decision-making structures, and public dismay over the dismal state of public services.²⁸ In addition, although the structure of education bureaucracies and the incentive systems that motivated public sector workers usually put them at odds with reform initiatives, my cases indicate that reformers were able to take advantage of patronage and appointment powers to salt their organizations with supporters of change.

Changes were also possible because reforms of the 1990s did not necessarily pose a simple binary choice. In fact, some reform initiatives were negotiated agreements that allowed change to occur in the context of greater tolerance by the opposition. In the case of new policies involving decentralization, for example, opposition of teachers' unions was initially very strong. They viewed these initiatives as poorly disguised efforts to break the unions by forcing them to negotiate separately with numerous regional or local governments or local school boards over salaries, appoint-

ments, and conditions of employment. But in some cases, decentralization reforms were negotiated to maintain salary and benefit decisions at central levels, thus undermining some of the opposition of the unions. Such compromises may not have been optimal in the eyes of the reformers, but they did allow other important changes to go forward.

Strategic choices about timing also affected the outcome of many reform initiatives. My cases indicate that reformers were able to select opportune moments for pushing ahead with change proposals, and they made strategic retreats when the timing was inauspicious for change. Even more impressively, reformers in some cases were able to delay reforms until they had successfully altered the political landscape to support their initiatives. The cases presented here demonstrate numerous ways in which the strategic choices of reform proponents fundamentally altered union and bureaucratic tolerance for change. Reformers also took the lead in altering incentives in ways that were more supportive of reform. Similarly, they sought to create networks for promoting reform initiatives in environments that were hostile to change.

Thus, the cases suggest that reform initiatives need to be viewed as dynamic political processes that unfold over time, as complex chains of decisions subject to the interaction of reform advocates and opponents in particular institutional contexts that are sometimes subject to alteration. In the following chapters, I adopt a strategic choice approach to argue that the process through which the 1990s education reforms became part of national agendas, and were designed, adopted, implemented, and sustained had significant implications for reform outcomes. In this process, protagonists had different opportunities to influence conflicts and decisions. In many cases, for every action or decision that was taken, there was some possibility for altering the conflict equation and the institutional biases that surrounded a proposed change.²⁹

I also indicate that reform proponents had the widest scope for undermining opposition and promoting change while they were engaged in ensuring that education was an important issue on national political agendas and while new policies were being designed. At these moments, they were most able to seize the initiative and affect the capacity of interests and institutions to resist change. Moreover, strategic actions at these moments in the policy process shaped the subsequent political dynamics surrounding their proposals, at times facilitating change and at times making it more difficult. Once new initiatives were announced, however, reformers typically lost some capacity to manage the political destinies of their proposals. Thus, their room for maneuver varied over time and was both a result of their own actions and a condition shaped by the power of interests and institutions opposed to change.

REFORM CHOICES AND PROCESS

This book analyzes a series of education reform episodes. It focuses primarily on initiatives in Bolivia, Ecuador, Mexico, Nicaragua, and the state of Minas Gerais in Brazil.³⁰ The comparative analysis indicates how, in the case of contentious policies, process can shape outcome through the strategic choices of reform advocates and opponents.³¹ The cases focus on efforts to improve the quality of the content and structure of basic education services.³² When these are deemed successful, I mean the extent to which a reform initiative survived approval and implementation and the extent to which it was sustained over time without sacrificing its original objectives. This allows for the fact that the dynamics of approval and implementation can alter the content of policies through negotiation, improved technical analysis, and variable management capacity, but rules out experiences in which reforms are so watered down by such interactions that they cease to embody significant change.

Each reform episode incorporates several phases across time—agenda setting, design, adoption, implementation, and sustainability. In practice, these phases are interrelated, as when the anticipation of implementation problems affects how policies are designed or when actions taken (or not taken) during implementation alter the meaning and content of policy. Thus, it is useful to explore these episodes in ways that seek to identify and understand such interrelationships in specific phases. Indeed, each of these phases can be understood as an arena in which political and bureaucratic interactions take place and affect what happens in subsequent arenas. This process orientation reveals that actors differ in the extent to which they participate in different arenas.³³ As an example, the case studies indicate that teachers' unions were usually not important in setting a national agenda for education reform, and often did not participate in policy design, but became critically active participants in arenas in which policies were approved, implemented, and sustained. Thus, the engagement of interests in opposing or supporting change varied across distinct arenas.

Of course, all the reform episodes unfolded in larger economic, political, and social contexts that were characterized by politically relevant individuals, interests, and institutions—presidents, ministers, parties, interest groups, legislatures, executive bureaucracies, courts, media and public opinion, other levels of government, and so forth. At each phase in a reform process, institutions shaped the incentives faced by actors, including winners and losers, and affected their ability to influence the outcome of conflict. Similarly, reform scenarios were influenced by historical legacies of state-society relationships, political cleavages, prior policy initiatives, and other social and political conflicts. Moreover, many reform episodes

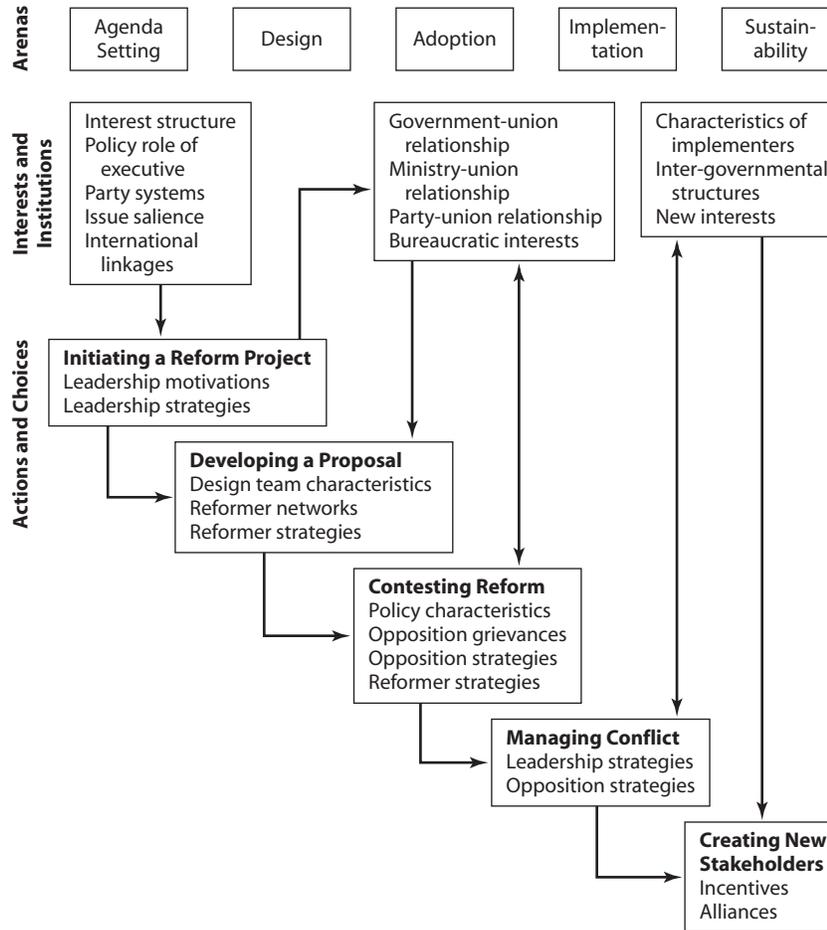


Figure 1.1 The Process of Education Policy Reform

were preceded by earlier initiatives that ended in success or failure, and these colored the way in which new initiatives were assessed, designed, and implemented. These factors created the interests and set the broad rules of the game within which new initiatives were played out. Reform episodes did not get written on a tabula rasa.

Figure 1.1 presents a stylized model of the education policy reform process in which interests, institutions, and reformers interact. In brief, it indicates the arenas in which political and bureaucratic action shape policy proposals and their potential for success. It signals a series of interests and institutions that may be important in affecting the activities of reform

proponents and opponents in the different arenas. It also indicates that such factors do not determine reform, but rather affect the characteristics, motivations, strategies, and actions of actors in the reform process. Thus, for example, the role of unions in national politics, traditions of executive leadership in policy development, and the political salience of education may influence why, when, and how an issue gets on a national political agenda by affecting why leaders might take up the education reform flag and what kinds of strategies they might adopt in carrying it forward.

Early in education reform processes, reform leaders—usually presidents and ministers but also other important executives—appoint or empower design teams to put together proposals for change. An important aspect of how these design teams pursue their activities is their composition and style of work. In addition, the placement of design teams within government can be important in the bureaucratic politics that encourage or impede reform. Similarly, the work of design teams is influenced by the international and domestic networks they mobilize. They generate strategies about the range of interests that participate in their activities, and they cultivate political allies to help them pursue reform projects. All of these activities are affected by institutional factors such as the legacy of government, ministry, and party relationships to the principal opponents of education reforms in the 1990s, the teachers' unions.

When reform proposals are announced, a new arena for contestation is created. Certainly the contents of the policies—what interests they affect and what kinds of incentives and sanctions they include—set the basis for conflict. The grievances of affected parties—be they unions, bureaucracies, or politicians at various levels of government—and their strategies are important in determining the fortunes of the proposals, as are the characteristics and strategies of the reformers. Institutional factors such as the union-party and union-ministry alliances and the legacy of union-government relations affect the relative power of actors and significantly influence whether reformers decide to negotiate with or confront the opposition. In turn, the dynamics of how the reform is contested affect the extent to which conflict characterizes the implementation and sustainability of new education policies. Executives are called on to reinforce their leadership roles at this point, and their strategies for managing conflict respond to the kinds and location of contestation.

Just as critically, however, characteristics of the implementing agencies and intergovernmental structures of power help determine whether what has been approved is effectively put in place and sustained over time. The sustainability of the reform is determined by the characteristics of implementing agencies and the relationships among levels of government as well as by the extent to which reform initiatives have been successful in mobilizing new interests. These interests in turn are strengthened or

weakened by the incentives they have to sustain reform and by the alliances they are able to develop with reformers.

In the following chapters, I focus in turn on the five arenas in which institutions, interests, and reformers interact. In the cases I studied, the initiation of new reform proposals and the activities involved in designing reforms were arenas characterized primarily by the strategic actions of reform proponents. These activities gave way to new and often more public arenas where reforms were contested and efforts to manage conflict introduced. In these arenas, opponents of reform often had more capacity to stymie change than at the outset of the reform process. Nevertheless, because reformers were able to seize the initiative and in many ways set the terms of reform at the outset, the power of opponents was at times circumscribed, even when they were more directly engaged in resisting change. In addition, when policies were approved and put into practice, new stakeholders at times emerged and new alliances were sometimes formed to help sustain new initiatives. These five arenas were the sites of important strategic actions that significantly affected the outcome of reform initiatives, and are analyzed in greater detail in subsequent chapters.

Finding Reasons for Reform

Before focusing on these policy arenas, however, it is important to situate the reforms in the context of the conditions that characterized national education systems in the early 1990s. This is the task taken up in chapter 2, in which I use empirical data to outline the problems that beset basic education in Latin America at that time. Conditions in that sector were dire indeed. The data indicate that large numbers of children were being very badly educated in the region's public schools. Moreover, low quality combined with inequitable access to reinforce existing class and ethnic barriers and to intensify the difficulty of finding solutions to widespread conditions of poverty and inequality. The management of education systems was overcentralized and stifling. Low standards of achievement among students were reflected in poorly trained and motivated teachers and administrators. By the early 1990s, there was certainly plenty of evidence that something was very wrong with national education systems in the vast majority of Latin American countries.

But policy reforms do not occur simply because evidence accumulates about the severity of a problem or even about the positive benefits of change for welfare and national development. In the same chapter, I also assess a series of hypotheses about the emergence and timing of education reforms. Some have argued that reforms tend to occur when policy makers are faced with economic crises; others that reforms requiring considerable investment are more likely to occur in the context of rapid

economic growth; still others link reforms to the electoral cycles faced by politicians; and so forth.

The chapter includes a foray into assessing these and other claims about agenda setting. Interestingly, however, statistical and historical analyses suggest that there are few contextual similarities across countries that can account for the emergence of education reform initiatives. Episodes of reform were not systematically associated with particular economic conditions or with particular characteristics of party systems, governing coalitions, or electoral cycles. Rather, the emergence of reform initiatives is almost universally traced to the interests and actions of political executives or those closely associated with them; their concern to improve education was generally part of broader political and policy agendas they espoused and was significantly influenced by international dialogues about social policy and development.

Leadership for Change

In chapter 3, I explore the issue of leadership choices more fully by delving into the particulars of five case studies of reform. In all of these cases, “reform mongering” by presidents and ministers was important in increasing the salience of education as a policy issue. The chapter demonstrates that these leaders faced significant political and institutional obstacles in their efforts to champion change in the sector. To overcome these barriers, they drew on institutional sources of power to undermine the institutional resources of reform opponents. They sought to control the timing of reform initiatives, to use their powers of appointment to bolster the capacity to lead policy change, and to set the terms under which reform would be discussed in the political arena. They sought to weaken the position of the opposition and at times to garner broad public support for what they wanted to accomplish. In the early phases of reform initiation, then, leadership strategies were critically important to the survival of proposals for change.

Designing Policy

Similarly, seizing the initiative was important in the design phase of the policy process. In chapter 4, I consider the activities of the design teams that put reform proposals together. Design teams play an important role in defining the contents of a reformist initiative and, in the case of education policy reforms, such teams hammered out the specific ingredients of new initiatives in their countries. But in this chapter, I also ask to what extent design team activities were politically important.

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