

# **A New Lord of Education? World Bank Policy for Peripheral Capitalism [1]**

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## **Abstract**

*This article argues that a fundamental prerequisite for confronting the dismantling of public education in Lula's Brazil and elsewhere is to criticize the presuppositions on which such current government policies are based. This study contributes to the construction of this critique, as it is not possible to comprehend the sense and the meaning of current reforms without considering their conceptual matrix, formulated by the World Bank.*

*The article suggests that the education–security–poverty connection forms the substratum of the educational reforms under way in Latin America. With the unprecedented deepening of the polarization in the 1990s, the World Bank dedicates increasing attention to the construction of institutions adapted to the era of the market, so that it has institutional resources to “manage” the contradictions of the system. Education is radically modified, becoming less and less polytechnic (in the sense of Marx) and more and more instrumental: the contents are strongly filled with eulogies to capital and the educational debate is ruled, largely, by “businessmen” and by political strategists.*

## **Introduction**

The decisive role of the Bretton Woods organisms in implementing the framework of the Washington Consensus – which is devastating the economy of the peripheral countries – is a fact that is now hardly disputed, since the contradictions of the structural crisis of capitalism no longer allow these activities to remain hidden. In several countries there is evidence that the representatives of these organisms are

involved in fundamental decisions relating to the economy. The surprising fact is that the same agenda and the influence of the International Monetary Fund (IMF) and the World Bank is maintained even by governments elected with the promise of bringing profound changes to the neo-liberal policies.

Luís Inácio Lula da Silva, the new Brazilian president, is an illustrative case (Gonçalves, 2003; Leher, 2003a; Paulani, 2003). Elected in opposition to the neo-liberal government of Cardoso, he signed a new agreement with the IMF, incorporating their “conditionalities” for structural adjustments in his government's plans: these include maintenance of the primary surplus (equivalent to 4.25% of GDP) throughout his government's period in office; an extremely elevated tax rate (the second highest in the world), both to help achieve a goal of a very low inflation. After a year of government, the results do not differ much from those of other countries applying these policies (Stiglitz, 2002): debt payments increased from 8.4% of GDP in 2002, to 9.5% in 2003, requiring the application of 62% of the Federal Government Budget; social expenditure was cut by 10%; the social welfare system was reformed to create pension funds; finally, the GDP *per capita* was reduced by 1.5% – the worst figure since the crisis of 1992 that culminated with the impeachment of President Collor de Mello – confirming the existence of a recession that has reduced salaries by 12.9% in the last year and raised unemployment from 11.7% to 12.5% (about 10 million unemployed, excluding those with precarious jobs). Moreover, in a no less disconcerting manner, Lula da Silva summoned the World Bank to advise on the Brazilian university reform, in spite of their well-known anti-university positions and their favouring of monthly fees for students (Leher, 2003b).

The significance of the influence of these entities’ on the configuration of peripheral countries education has provoked divergent readings. This study sustains that the redefinition of educational systems is at the centre of the structural reforms proposed by the World Bank, and intimately related to governance-security issues. In a context of profound structural crisis and, consequently, the escalation of social anti-capitalist actions and the crisis of the dominant power block, the sectors that have assumed leadership of the dominant classes, in particular the finance sector and commodities export sector, have placed at the top of their political priorities maintaining the order of capital and, because of that, they sustain that governance is crucial. This

preoccupation, as will be seen ahead, guides the action of the World Bank that, verifying the ruinous effects of structural adjustment policies in most of the world, affirms that the “relief of poverty” must be an urgent task of peripheral countries’ governments, faced with the risk of the return of nationalist and socialist policies. It is in this context that education becomes a priority. Marx's observation, in *Capital*, takes on a worrying relevance: “the more a dominant class is able to receive in its ranks the most valuable men from the dominated classes, the more solid and dangerous is its domain”.

Not accidentally, the dominant sectors, especially those of the financial sector and of agro-business, resolutely supported the election of Lula da Silva, convinced that, in a crisis situation, a government coming from the opposition could better operate the agenda of the Washington Consensus. The social welfare reform affecting pension funds in public service (part of Brazil's Agreement with the IMF since 1998) had not previously been successful, due to the resistance of the unions and of the Workers’ Party (PT). Lula da Silva, however, introduced a proposal even more restrictive of social rights than that of Cardoso, and, in just seven months, achieved its approval in parliament (Leher, 2003a).

This political change does not occur without confrontation and tensions. The assimilation of the IMF and of the World Bank agenda by Lula da Silva’s government has been raising intense internal debate in the PT, and in the Brazilian and worldwide Left. A third of the deputies of this party has been defending, publicly, changes in macroeconomic policies agreed with the IMF. However, the government's leading sectors have been working to reduce the spaces for debates, claiming governance problems. Three deputies and a senator who voted against the reform social security were summarily expelled from the Party, provoking the exit of pre-eminent intellectuals affiliated to the PT, like Francisco de Oliveira and Carlos Nelson Coutinho, and the protest of intellectuals such as Noam Chomsky.

The unions are also divided about what to do faced with neo-liberal orthodoxy. The majority sectors of the Central Única dos Trabalhadores (CUT) [2] sustain that it is necessary to support the reforms agreed with the IMF, although they defend some adjustments and corrections (not welcomed by the government in the case of the reform of social security). CUT's minority forces – which prefer to continue the

struggle – compose about 30% of the leaders. A public sector strike was held against the reform of social security, involving the main federal institutions, and culminating with a great protest in Brasília, with more than 70 thousand people. These conflicts have highlighted the problem of the autonomous organization of workers in relation to the government. The class-based unions and social movements have a consensus regarding the need for great popular mobilizations so as to change the government's agenda. The Landless Movement (MST), which is not directly affected at its base by the structural reforms of the IMF (social security, unions and labour), has been adopting a strategy of reduced land occupations and is demonstrating relatively strong support to the government, which is reinstating some credits cut during the Cardoso government. There were 60 thousand settlements foreseen for 2003, but just 25 thousand were accomplished. Because of this, their leadership believes that only through mobilizing the people will the goal of 410 thousand settlements be achieved before the end of Lula da Silva's government.

### **1. Education as ideology**

The specific character of the ideologies that guide the education reform becomes clearer when the investigation introduces how the ideological conceptions are materialized in the institutions. To comprehend the ideologies throwing education into disarray Latin America, in Africa and in parts of Asia, is necessary to examine the World Bank's orientations, being the world education ministry for peripheral countries.

To understand the institution and the reforms that it imposes, it is necessary to consider the relation between education and security doctrines. Unfortunately, with the childish belief in the end of ideologies, this connection is considered increasingly rarely in the educational debate. Research about educational agreements between Brazil and the USA, and the ways of action of the World Bank and of UNESCO, shows evidence that security is a constant preoccupation. This concern is at the very core of Kennedy's, Johnson's and Bristow's *Alliance for Progress* doctrine, as well as in the nucleus of the ideology of globalization, as defined by the World Bank and by the theoreticians of the *knowledge society*. By considering only the instrumental dimension of education (the required abilities and qualifications) in relation to the dynamics of capital, critical thought does not break through the frontiers of

*economicism*, contributing to hypertrophy of the belief in technological determinism, with significantly demobilizing consequences. (Holloway & Peláez, 1998).

The recognition that education could be an important instrument for the security issue dates, at least, from the Cold War doctrine period, especially in the formulation of the counter-insurgency doctrine. Instead of the traditional concentration of forces and armaments to advance against identified enemy lines, this doctrine praises located military operations, directly or indirectly operated by the CIA and by the Green Berets, along with an intense ideological propaganda. The doctrines and methods of propaganda were developed by the United States Agency for International Development (USAID). According to this conception, support from the local population is an important factor, as the US failure in the Bay of Pigs has shown. This explains the emphasis on educational actions and, in the case of the indigenous populations, the relevance of the religious missions, like the ones developed in several peripheral countries by the International Society of Linguistics and by the *Wycliffe* Bible Translators. The educational program and, more specifically, the propaganda actions of the *Alliance for Progress*, had this end. As asserted by Berle, one of the closest of Nelson Rockefeller's collaborators and an important adviser of Kennedy and Johnson, "in Latin America the battlefield is for the control of the minds of the small nucleus of intellectuals, educated and semi-educated people. The strategy is to dominate through educational processes" (Colby and Dennett, 1998, p. 425). Concerning the public university, with what they conveniently proclaimed as the risk of proliferation "of the Marxist doctrine in the educational system and in the economic thought of Latin America" (Scheman, 1988), the control, states Berle, will have to be clandestine, by private institutions (Ford Foundation, Rockefeller, Olin etc) and by exchange programs with American universities, especially Georgetown, Los Angeles, Berkeley, Columbia and Stanford. The aim of all this social engineering is to minimize the communist influence and the emergence of a new Cuba in the region. The Ford Foundation's president, McGeorge Bundy, in the 1950s and 1960s, was proud that Ford was more agile than the government in the identification and solution of US problems.

The glory days of the counter-insurgency became more opaque at the end of the 1960s. On the one hand, the imminent disaster in Vietnam, along with transformations

in the peripheral countries, such as the process of decolonization and the invigoration of the movement of non-aligned countries, demanded changes in US foreign policy in response to the demands of the Cold War. The increasing anti-American feeling in peripheral countries was taken as a threat to US supremacy, putting at risk the strategic goals of the economic and political establishment. On the other hand, the manifestations of the structural crisis of capitalism became clearer in the 1970s, a situation that soon would increase the social tension within peripheral countries and in their relations with Washington. The consideration of all these factors caused changes in the tactical orientation of the State Department. The preference for indirect actions, mediated by multilateral organisms was now the tactical choice. In this context, Robert S. McNamara left the Defense Department to preside in the World Bank. Education, then, becomes a high priority for the Bank. To analyze the reasons for these changes and the purposes of the World Bank's education policies, it is necessary to pose the following questions:

1. What intentions does the World Bank have in determining the guidelines of education policies for peripheral countries?
2. What does the Bank do to determine these guidelines?
3. How is the ideology of security being transposed to those countries?

To answer these questions it is necessary to analyze some aspects of the history of the Bank, which initially was an agency for European reconstruction and, then, was transformed, in Noam Chomsky's words (1995), into one of the principle "Lords of the World". It is imperative to examine the economic and ideological contexts that motivated the reforms, with emphasis on the ideology of globalization.

## **2. Poverty and Security**

With the discrediting of the counter-insurgency doctrine, the international agencies proceeded intervening more strongly in the internal policies of the peripheral countries, following McNamara's proposals. In fact, in 1968, the new World Bank president – until then the Defense Secretary of the USA (1961-1968) and, as such, one of the mentors of the Vietnam intervention – promoted changes in the orientation of the institution that need to be further researched, given their significant consequences.

Undoubtedly, decolonization and the Cold War underlie the new orientation. Faced with a situation in rapid transformation – a quarter of the world’s population recently had revolted against colonialism and obtained independence – McNamara reaffirmed, in 1972, the purpose of "protecting the stability of the western world". In this perspective, during his mandate (1968-1981), McNamara and the others directors of the Bank gradually abandoned the policies of development and the import-substitution, placing the poverty-security binomial at the centre of its concerns. It is in this context that the institution truly begins to act in Education, its action becoming direct and specific. The Bank prioritized programs that attended directly to populations that could be more susceptible to “communism”, by making use of technical schools, of health and of birth rate control programs, at the same time as promoting structural changes in the economy of those countries, such as the transposition of the “green revolution” to the so called Third World.

As it is possible to verify, the focus on the poverty problem has important nuances in relation to the counter-insurgency thesis of Rostow and Johnson who proposed using more directly coercive means. The support from part of the establishment of McNamara's position can be explained by the US difficulties in Vietnam and by the new features of the Cold War. In his self-critical work *“In Retrospect: the Tragedy and Lessons of Vietnam”* (1996:311), McNamara affirms that he was in “profound” disagreement with Walt Bristow’s and Johnson’s analyses concerning the prolongation of the military force in Vietnam. He recalls this in his speech in the American Association of Newspapers (1966), when he said: “there is amongst us a tendency to think our of security problem as an exclusively military problem”, however “a nation can reach a point at which it cannot buy more security by just buying military equipment, and we have reached this point”. Therefore, “we should assist the underdeveloped countries which genuinely need and require our help and, as an essential precondition, which are willing to help themselves”.

The financial aid conceded to the Bank during McNamara’s administration, indicates that he was not just talking for himself. In the previous twenty-two years of his mandate the Bank approved 708 projects, with a total cost of US\$ 10.7 billion. However, only in the first part of his administration (1968-1973), 760 projects were approved with a total cost of US\$ 13.4 billion (George & Sabelli, 1994:43). In this

period, the Bank became the world's biggest non-sovereign collector of financial resources.

The analysis of the way the Bank carries out its new guidelines contributes to an understanding of how this institution obtains the capacity to define the direction of peripheral countries' policies. As the new areas of the institution have a higher degree of uncertainty than the traditional investments in infrastructure, the Bank made important organizational changes, enlarging technical staff and transforming itself into the largest world information centre on development. Based on that information, the organism extended control over the countries that took loans from it. Thus, the Bank modified the scope of the projects by changing them to programs (much more complex and inclusive, covering vast sectors such as education), making conditionalities more severe. This reorientation of the Bank was successful, not so much in terms of the sectorial policies, which in general failed economic and socially, but in terms of a wider policy. Its influence contributed to prevent many of countries in the process of decolonization from moving into the sphere of influence of the Soviet Union. Furthermore, it enlarged the number of member nations, guaranteeing its presence in 179 countries (1995).

Many factors contributed to the exhaustion of the strategy focusing on the security-poverty connection. The main one, without doubt, was the structural crisis of capitalism that could be seen in the early 1970s (Duménil and Lévy, 1997). In this crisis, the debts of peripheral countries increased with rising taxes and with the falling values of the main commodities. It is necessary to emphasize, as well, the fact that the World Bank lent and guaranteed loans with strategic purposes, allowing debts which were higher than the countries' payment capacity. Many governments friendly to the 'West' (Mobuto, Marcos, Somoza etc) embezzled considerable amounts of these loans, for their own particular purposes. The result was the 1982 debt crisis.

In this new context, peripheral countries lost some of their pressure power. Reagan used military force for specific actions to weaken the socialist countries "in its own territory", creating the "contras" in Nicaragua, UNITA in Angola etc. The Bank embraced neo-liberal social and economic ideas and, with the vulnerability of the indebted countries, imposed drastic liberal structural adjustment reforms. This crisis presented new challenges for the World Bank, providing exceptional conditions for



the exercise of power. In the structural crisis the Bank had unprecedented scope to impose its conditionalities.

Undoubtedly, the 1982 debt crisis had made Latin American countries extremely dependent on the approval of the IMF and World Bank, a necessary condition to renegotiate with private investors. The Bank's conditionalities were not restricted any more to macro-economic indicators, such as balances of payments, but mostly to the now famous "structural adjustment" which, in the words of one leader of the Bank, consists of

liberating the market mechanism and strengthening its role in economic development. The private sector should be the motor of growth with the government playing a supporting role. Economic growth (and no longer development) would be the main path by which poverty would be alleviated (Arruda, 1994).

The countries that at the beginning of the 1980s resisted the interventionism and the imposition of neoliberalism, sustaining neo-structuralist policies, soon submitted to the rules of the "New Lords of the World". This is what happened to Brazil, especially in the governments of Collor and Cardoso.

The structural adjustment that dismantles the precarious Social State is done in the name of globalization, a process presented as relentless and irresistible, against which nothing can be done, except fitting in, even though it may result in exponential unemployment, wild privatizations, exchange crisis, increasing taxes and destruction of labour rights.

The idea that the economic crisis of the 1970 and 1980s was the start of a new "era" of globalization is shared not only by the followers of neo-liberalism (especially those of the knowledge society or of intellectual capitalism) who adopted globalization as a fact, but also by some of the critics of neo-liberalism, notably those who support the scientific-technological revolution thesis (and of the end of labour).

The changes that surround us are not passing phenomena but the product of powerful and headstrong forces: globalization, which has opened immense new markets with its relentless corollary, an enormous amount of competitions; diffusion of information technology and the disordered growth of computer sciences nets (...) (Stewart, op.cit,p. 33).

The propositions of the World Bank are very representative of the systematized thought known as the Washington Consensus (Dezalay & Garth, 1998). According to the president of the World Bank, James Wolfensohn (*Board of Governors*, 1995), the transformations of economic policies under way in underdeveloped countries” would be configuring the “era of the market” or “globalization”. When situating the recent context in which the Bank works, Wolfensohn said:

we are operating in a very different context from ten or even five years ago. The post-Cold War era marks the largest moment of change in history: country after country has moved to an economy guided by the market (...) which has been accelerating global integration.

In this “new era”, Thomas A. Stewart (1998: 9-26; 75-87, *passim*), publisher of *Fortune* magazine said “knowledge was converted into the most important factor of production” of a rather imprecise “intellectual capitalism” that would have succeeded industrial capitalism. In this “new era of capitalism, the main capital is intellectual capital” and, because of this, education, as a condition of capital, became a matter for managers and no longer for educators. Underlying the *glamour*, the ideological (and not even original) character of this formulation stands out. In this renewed version of the human capital theory, knowledge does not belong anymore to the person, neither is it conceived of by him or her: “it is the company that must try to acquire all the human capital that it can use”. The company needs “to use efficiently its employees’ brains” who should be trustees of useful knowledge for capital.

Hayek (1998) sums up the importance of education in liberal society: “it is by using his own means and own knowledge that defines a free man who is able to contribute to spontaneous order”. This connection between knowledge and order constitutes the “solid nucleus” of the World Bank’s propositions for education in the decade of 1990.

### **3. The Educational Orientations that Suit Capital**

Education is the biggest instrument for economic and social development. It is central for the World Bank’s strategy to help countries reduce poverty and promote standards of living for sustainable growth and investment in people. This double strategy requires the promotion of the productive use of work (the main good of the poor) and provide basic social services for the poor (World Bank, 1990).

The centrality acquired by education in the World Bank's discourse in the 1990s is recent. In the 1960s, a Bank vice-president, Robert Gardner, declared: "we cannot lend for education and health. We are a bank!" (Caufield, 1996, p.64). This situation started to change in Woods' administration (1963-1968) and, more strongly, in McNamara's presidency, when the emphasis on the problem of poverty made education stand out among the priorities of the Bank. In the 1970s, this institution considered financing primary and general secondary schools, defending technical and vocational teaching, modalities known as more adequate to the presumed needs of underdeveloped countries. In the neo-liberal turn of the 1980s, the Bank's educational orientation suffered a change towards primary teaching. The previous orientation was then attacked hard as *voluntarist* and wasteful. In the 1990s, the neo-liberal inflection not only remained valid but it was radicalized.

In the Bank's more recent documents and in the pronouncements of its leaders, the frequent occurrence of the poverty issue and of the dread regarding security is visible: in the terms of the Bank's president, "the poor people of the World should be helped, otherwise they will be angry" (Caufield, op.cit,p..315). That is, poverty can generate an unfavourable climate for business. And the global exclusion does not stop growing. UN Development Program studies (1998) and, more recently, Chossudovsky's work (2002), who developed an inclusive study of globalization of poverty in the world, attests that peripheral countries receded seriously in their economic and social situation in the last thirty years. In maintaining a policy of free trade, efforts to contain the tensions produced by unemployment will have to be enlarged. Only in Brazil, between 1985 and 1998, the number of industry jobs fell by 43%, while industrial production grew just 2.7% (Pochmann, FSP, 08/08/1999). For dominant ideologies, the best antidote for the current maladies of unemployment is primary education (the first four years, mostly the responsibility of the municipal districts) and vocational education (which may be separated from formal education or accompany three years of upper secondary school, after eight years of fundamental education) and, to graduate technologists, a post-secondary level. This explains, largely, the World Bank's guidelines for higher education. For a long time the Bank criticized those countries that "insist on universalizing technologies, characteristic of the 20th century, in their territories". However, never was the Bank so explicit and determined in its non-university policy.

According to Amin's analysis (1996), the markets of peripheral countries, unlike central countries, are not integrated in a three-dimensional way (capital, merchandise and labour), but only in two dimensions (capital and merchandise) – **labour, in the peripheries, is excluded from the labour market based on advanced scientific knowledge**, being confined by national barriers that separate central countries from peripheries. The work in these countries is in accordance with the way these nations are inserted in the world economy: in a subordinate form, peripheral, restricted to low aggregate value goods. The labour required by an economy in these terms is little qualified. The basic economic premise is that a free global market decides better which jobs are located in which country (Caufield, op.cit,p.294). In short, better than the endogenous analysis of education systems, the “comparative advantages” thesis explains the existing educational priorities in the peripheries.

Thus, the guidelines for higher education are coherent with the economic propositions of the Bank. If a country submissive to the Bank's orientations abdicates responsibility of constructing an independent nation, then a higher education system with relative autonomy from private institutions does seem anachronistic. The Brazilian Minister of Education does not see any sense in new knowledge production in public universities because, in his conception, the productive system "can" get technological packages in the free market. Moved by this reasoning, since the end of the 1980s, the Bank has not financed any academic activity in Sub Saharan Africa. According to a recent analysis by the Bank, Latin America is going in the same direction. This does not mean that the Bank suggests that all research should be eradicated. Despite the fact that the logic of the process indicates that new knowledge production should be produced in the more advanced centres, notably in the USA, countries like Brazil, besides the amplitude of its productive base, would have to have a few centres of excellence able to adapt technological packages to the local reality and also to be part of the leading elite to produce necessary knowledge for social control, which is already happening in some academic centres.

The document "Higher Education: the Lessons of Experience" (World Bank,1995), contains the main orientations for the sector. It explains the crisis of public higher education firstly as a result of the fiscal crisis. However, through the document, the political purposes become explicit, overriding the fiscal ones. This document is a

paradigm, constituting the matrix of the recent propositions of Federal Government. The document proposes a wider differentiation in higher education, demanding the suppression of the association between teaching and research, in the terms of the General Law of National Education (Law 9394/96) – that distinguishes public higher education institutions from academic centres – a euphemism to legitimate universities that do not carry out research. The Bank indicates the instruments for this policy implementation, emphasizing the importance of redefining university autonomy in neo-liberal form, an autonomy that means the dismissal of the State from the life of institutions (Leher, 2001).

A wider institutional autonomy is the key for the success of the reform in public higher education, especially in order to diversify and to use resources more efficiently. An indicative goal could be that of state higher education institutions generating enough resources to finance about 30% of their total resources needs.

At the centre of this discourse lies the opposition between primary teaching (meant for the general population) and higher education (pretentiously destined for privileged elites that, although not needing public education, enjoy the largest part of the educational budget). This argument is repeated by intellectuals such as the winner of the Nobel Prize for Economics, Gary Becker, and in editorials of the main Brazilian newspapers. The defenders of public education are disqualified as elitist and insensitive to the collapse of primary education.

Once the discourse has been defined, the document focuses on the political orientation: "it is necessary to break this mould" through actions undertaken with much caution. That explains the myriad projects in the educational area ordered by the Brazilian Education Ministry. The reform under way is carried out with the minimum of possible ostentation.

In the terms of Paulo Renato de Souza, Minister of Education in Cardoso's government, "Brazilian society does not want to give more resources to public universities", echoing Becker: "the governments who keep free higher education are subsidizing the wrong people" (Exame, 10/06/96). Still in the minister's interpretation, "the emphasis on university teaching was characteristic of a self-supported development model that demanded developing research and its own technologies (...) today this model is in terminal agony". The ideology of globalization (with passive

acceptance of a forced disconnection) supplies arguments to the minister to sustain that

the access to knowledge is facilitated, the associations and joint ventures take care of providing know-how to the companies of the countries that need it, such as Brazil. The subcontracting of universities, as Korea did, does make much more sense from an economic point of view (Exame 10/06/96).

The same evaluation has been made by Lula da Silva's government. A recent "package" that has been negotiated between the Bank and the Brazilian government has as *conditionality* the end of free higher education [3], a position that, as exposed in the Minister of Education's speech in UNESCO, can count on his full sympathy [4]. Larger enthusiasm for the end of gratuitousness can be observed in the economic area, considering its neo-liberal orthodoxy, as is evident in the documents of the Treasury and, in particular, in the document "Social Expenditure of the Central Government: 2001 and 2002". This document, in conformity with the Chicago School theoretician Gary Becker, postulates that free higher education is the main obstacle to the materialization of social justice in the country, recommending loans to students so that they study at private schools, a more economic option.

Due to the exclusion of public universities from the priority policies, the public secondary school also remains without a place in education policies. The expansion of the public secondary school would contradict the privatization policy for the university, and it would bring evidence, even more, of the segregationist character of the current policies. For the State remains the responsibility of primary education. The Brazilian government has been undertaking important changes at this level. The creation of a new financing form for the primary school is redrawing the attributions of the state and municipal districts. The curricular reform is moulding schools to the "imperative of globalization" and a centralized evaluation guarantees state control of teaching activity. Formally, all of them can enjoy the benefits of *globalization* and the conditions of *governability* would be assured. This is the map of ideas that constitutes a true *planetary educational apartheid*, led by the World Bank.

#### **4. An effort to conclude**

The education–security–poverty connection forms the substratum of the educational reforms under way in Latin America. With the unprecedented deepening of the

polarization in the 1990s, the Bank dedicates increasing attention to the construction of institutions adapted to the *era of the market*, so that it has institutional resources to “manage” the contradictions of the system. Education is radically modified, becoming less and less polytechnic (in the sense of Marx) and more and more instrumental: the contents are strongly filled with eulogies to capital and the educational debate is ruled, largely, by “businessmen” and by political strategists.

It is left to education to operate the contradictions of segregation, providing openings for the future. The presupposition here is that all people who have made the correct educational choices will have limitless possibilities. The individuals (and countries) which prioritize education correctly will have a glorious future ahead, proving, thus, the validity of the system. Current capitalism is fair to those who qualify themselves correctly. It is enough not to insist on the wrong priorities. It is no use spending money on public higher education and research, because, according to the *comparative advantage thesis*, the *developing* countries should pursue *market niches* where it is possible to sell low aggregate value goods.

The critics of that legitimization process of structural exclusion are complicated by the increasing adhesion of left parties and of the unions to the ideology of globalization and to technological determinism. In this sense, problems of unemployment and the precariousness of labour are explained by workers' qualifications. It is as if the exclusion was due to the individuals' wrong educational options. In that case, the only realistic alternative is professional education. The greater part of Brazilian unions, independent of affiliation to CUT or to Força Sindical, is determined to make agreements with the government, in order to obtain qualifications and training courses for their associates. Also, governments elected in opposition to neo-liberalism, like Lula da Silva's, incorporated the belief that public and free higher education is not socially just and that the State is not a good education manager, summoning the so called “third sector” to lead education policies and, even to propose the acquiring of educational services from private establishments.

A fundamental prerequisite for confronting the dismantling of public education is to criticize the presuppositions on which current government policies are based. This study contributes to the construction of this critique, as it is not possible to

comprehend the sense and the meaning of current reforms without considering their conceptual matrix, formulated by the World Bank.

## Notes

[1] Enlarged and updated version of the article published originally in Portuguese in *Outubro*, Journal of the Institute of Socialist Studies, São Paulo, May 1999 (ISSN 1516-6333), p. 19-30.

[2] The Brazilian national trade union council.

[3] Marta Solomon, 'Gratuitousness in federal universities still provokes debate'. *Folha de São Paulo*, p. C 4, 3/08/03. On the other hand, for the possible loan of US\$ 8 billion (to be distributed in the next 4 years), the Bank awaits revision of the gratuitousness principle.

[4] In UNESCO, Lula's minister of education, Cristóvão Buarque defended a differentiated tax proposal for those who graduated in public institutions that would, in this way, pay for their courses, a measure that would demand the modification of Article 206 of the constitution, which establishes the gratuitousness of official establishments.

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