

**ADVANCES AND CHALLENGES IN EDUCATIONAL
AND ECONOMIC POLICY IN LORETO, PERU:
A REVIEW IN THE BICENTENNIAL YEAR (2021)**

Bill Eglinton Flores Maricahua (UNILA)

billflores1993@gmail.com

Francisca Paula Soares Maia (UNILA)

fpaolasmai@gmail.com

ABSTRACT

This research analyzes the complex educational, economic, and linguistic reality of the Loreto region in Peru. It highlights the importance of understanding the geographic and cultural context of this Amazonian region, as well as its economic relevance due to its natural resources and strategic position in Peruvian geopolitics. Despite its natural wealth, Loreto faces numerous challenges, including inadequate investment in education and basic infrastructure such as water and sewage. Additionally, the linguistic and cultural diversity of the region presents further difficulties in the educational sphere, especially due to standardized educational policies that do not consider the specific needs of indigenous communities. This article also discusses the educational and economic policies applied during the government of Pedro Castillo Terrones, as well as the results and challenges encountered in implementing Peru's Bicentennial Plan in 2021. It points out the failure to meet certain goals, especially in terms of investment per student and educational quality. In conclusion, the need to implement inclusive and decentralized policies that recognize and value the cultural and linguistic diversity of Loreto is emphasized. This requires an equitable allocation of resources, the strengthening of educational infrastructure, and the promotion of bilingual intercultural programs. Furthermore, the importance of a comprehensive approach that addresses the specific needs of each community and promotes the active participation of all parties involved is emphasized.

Keywords:

Peru. Economic Policy. Educational Policy.

RESUMO

Esta pesquisa analisa a complexa realidade educacional, econômica e linguística da região de Loreto, no Peru. Ela destaca a importância de compreender o contexto geográfico e cultural desta região amazônica, bem como sua relevância econômica devido aos seus recursos naturais e posição estratégica na geopolítica peruana. Apesar de sua riqueza natural, Loreto enfrenta inúmeros desafios, incluindo investimentos inadequados em educação e infraestrutura básica, como água e esgoto. Além disso, a diversidade linguística e cultural da região apresenta mais dificuldades na esfera educacional, especialmente devido às políticas educacionais padronizadas que não consideram as necessidades específicas das comunidades indígenas. Este artigo também discute as políticas educacionais e econômicas aplicadas durante o governo de Pedro Castillo Terrones, bem como os resultados e desafios encontrados na implementação do Plano Bicentenário do Peru em 2021. Ele aponta o fracasso em atingir certas metas, especialmente em

termos de investimento por aluno e qualidade educacional. Em conclusão, é enfatizada a necessidade de implementar políticas inclusivas e descentralizadas que reconheçam e valorizem a diversidade cultural e linguística de Loreto. Isso requer uma alocação equitativa de recursos, o fortalecimento da infraestrutura educacional e a promoção de programas interculturais bilíngues. Além disso, a importância de uma abordagem abrangente que trate das necessidades específicas de cada comunidade e promova a participação ativa de todas as partes envolvidas é enfatizada.

Palavras-chave:

Peru. Política Econômica. Política Educacional.

1. Introduction

Firstly, it is vital to understand the educational, economic, and linguistic reality of the Loreto region. This region is geographically located in the Peruvian territory known as the northeastern area, essentially in the Peruvian Amazon. It borders vital and strategic countries for Peru, such as Brazil, Colombia, and Ecuador. Furthermore, this region is characterized by the presence of indigenous languages, including communities such as the Tikunas, Boras, and Kokamas, to name a few. In addition, Spanish is also used as the main language of communication, both educationally and economically/commercially.

However, it is necessary to ask the following question: Why is it important to study the educational, economic, and linguistic policy of the Loreto region in Peru? A key point regarding this question lies in the geopolitical position of the region; it shares natural resources with the entire Peruvian state such as oil, gas, gold, wood, as well as various lands to produce oil palm, rice, and soybeans. Additionally, the region is intrinsically linked to the Amazon River, which implies a greater water capacity than the coastal and Andean regions of Peru.

In this way, in a country primarily exporting raw materials like Peru, the Loreto region presents itself as an essential territory for the country's economic independence. Nevertheless, according to data from the Peruvian Institute of Economics (2021), the Loreto region faces both economic and educational difficulties, consistently ranking last in economic and educational competitiveness. It remains "(...) the least competitive region in the Education pillar for the sixth consecutive year. The region is in the last place in the school attendance indicator and in the two infrastructure indicators: schools with the three basic services and internet access" (IPE, 2021, p. 12).

In addition to the situation described in the previous paragraph, the Loreto region still lacks basic aspects such as access to water and sewage. Since 2009, the Central Reserve Bank of Peru (BCRP by its Spanish acronym) has corroborated this, stating that “the indigenous population of Loreto aged 15 and older is 19.7% and 17% greater than the urban population. Water supply is mainly from rivers or springs” (BCRP, 2009, p. 19-20). Furthermore, considering the Human Development Index (HDI), up to the year 2020, the Loreto region “ranks sixteenth among the 24 regions of Peru” (FLORES, 2020, p. 78).

Moreover, the Loreto region presents complex political, social, economic, linguistic, and educational challenges. Thus, the gross school attendance rate for the population aged 12 to 15 years increased from 2007 to 2017, although there are difficulties in measuring the quality of learning, which places students from Loreto in the last positions in the application of the Student Census Evaluation tests (CONGRESS OF THE REPUBLIC, 2019, p. 9). On the other hand, there is a complex economic context for Loreto “upon completing educational levels, students from Loreto have fewer opportunities to find quality, well-paying employment compared to students from coastal or Andean regions” (FLORES, 2020, p. 81).

Besides, the difficult situation in the region contrasts with the educational, economic, and linguistic plans applied by recent governments in Peru. Since the introduction of neoliberal education outlined in the 1993 Political Constitution of Peru, the region has suffered from the application of standardized educational policies that fail to consider the ethnic and linguistic diversity of the Loreto region. “This is the mistake of Peruvian education when addressing the reality of Loreto, and especially the Amazon. In this sense, the intercultural and linguistic-cultural issues of Loreto are linked to linguistic-cultural diversity” (FLORES, 2020, p. 81).

Therefore, in Loreto, heterogeneous realities and a complex educational, economic, and linguistic situation can be observed. Consequently, the following outlines the results of the educational-linguistic policy applied during the government of Pedro Castillo Terrones, along with improvement plans implemented in the Loreto educational system, and the establishment of the Bicentennial Plan of Peru by 2021, specifically focusing on the strategic axis of Education and Economy.

2. Results

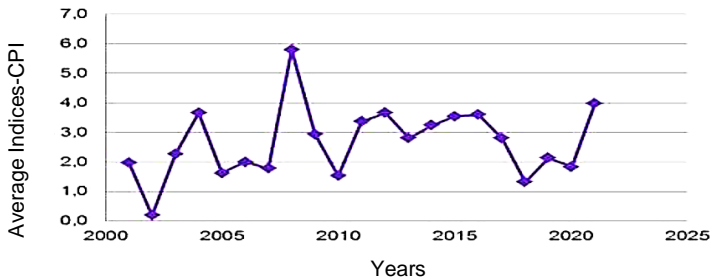
The systematic public policy applied in Peru is presented in the Bicentennial Plan of Peru 2021, which was the result of a participatory construction by the main centers of power of the Amazonian-coastal-Andean country in social, political, educational, linguistic, and economic aspects. Therefore, the Bicentennial Plan of Peru aimed to set the particular interests of what Peru should be until the year 2021. Based on Legislative Decree No. 1088 and the determination of the National Center for Strategic Planning, six strategic axes were outlined (Cf. CEPLAN, 2011): fundamental rights and human dignity; opportunities and access to services; state and governance; economy, competitiveness, and employment; regional development and infrastructure; and natural resources and environment. Said plan contemplates the comprehensive development of all Peruvians; consequently, strategies are determined that lead to the conjunction of “political freedom, civil rights, economic and social opportunities, personal protection, and transparency in public management” (Cf. CEPLAN, 2011, p.1). Although the concept of development is holistic, it is essential to note that Education and the Economy are essential for achieving Peru's economic development, combined with other public policies applied throughout the Peruvian territory.

Thus, the Bicentennial Plan of Peru 2021 aimed to integrate public policies that would enable the development of the most fragile areas of Peru during a period characterized by economic, political, and social upheavals. In this sense, Peru's educational and economic policy in 2021 focused on improving the conditions of economic dependence in the most vulnerable regions, such as Loreto, and also on improving educational difficulties. Consequently, the following section presents the educational and economic reality of Peru up to 2021, detailing the inflation rate, government spending on Education, as well as the illiteracy rate, school attendance frequency, and educational performance.

Regarding this, during the year of government of former President Pedro Castillo Terrones, the Bicentennial Plan of Peru 2021 had been implemented in most parts of the country; although there were still difficulties in measuring the quality of learning, as well as improving basic services throughout the Peruvian territory, with more emphasis on Amazonian and Andean regions. Thus, following the announcement of the investment of 10% of GDP in the Education sector and the determination of a cultural approach in all public policies, Peru's educational, economic, and linguistic policy aimed to bridge the learning and economic gaps left by

the application of erroneous measures in previous governments, especially during the Covid-19 pandemic. Hence, the intention to manage a more solid budget to resolve educational problems was set on strengthening institutional structures and determining a solid economic plan. However, given the inflation rates of 1.8% and 4% in the years 2020 and 2021 respectively, the government of Pedro Castillo Terrones had to prioritize its macro-educational interests, since the public spending capacity “was set at S/. 1,830,388.68 and S/. 1,740,506.15 Peruvian soles, respectively” (FLORES, 2023, p. 70).

Figure 1. Inflation in Peru 2001-2021.



Source: BCRP Data (2022).

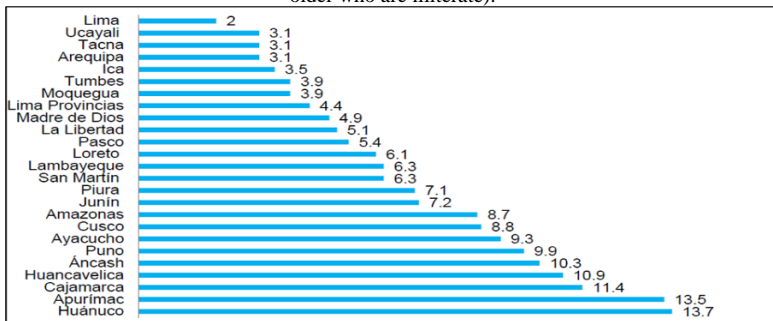
As a result, the promise to increase from 3% to 10% of GDP for the Education sector lacked feasibility, since Peru's immediate interest was controlling inflation and reducing public spending following the impact of Covid-19. Consequently, in the educational sector:

Despite the funding of educational projects in infrastructure and social demand, political issues, inflation, and parliamentary clashes, along with abrupt changes in Ministers of Education, led to a breakdown of the national educational budget structure. Consequently, this complex situation with scant investment in education and constantly fluctuating inflation affected the ability to meet the social demand of educational institutions and teachers. Additionally, it impacted on the adaptability of educational materials, food for rural and marginal urban schools, and access to new educational opportunities at the higher education level through scholarship grants and opportunities for youth finishing secondary education throughout the country. (FLORES, 2023, p. 71)

Additionally, with the intention of reducing public spending, former President Pedro Castillo Terrones requested the reduction of bilingual

intercultural schools through the application of a reductionist and economic educational policy that did not meet the immediate needs of Loreto's students. Therefore, "The Ombudsman's Office of Peru and associations of indigenous communities expressed opposition to the document. After that, the Ministry of Education backtracked" (Morales, 2022, p. 1). The immediate consequence of the reduction in the educational budget and the neglect of the specific school needs of Peru's rural communities, especially the peasant and indigenous groups in the Amazonian and Andean regions, can be seen in the illiteracy rate of the regions of Peru (see Figure 2).

Figure 2. Illiteracy (rank among 25 regions, percentage value of the population aged 15 and older who are illiterate).

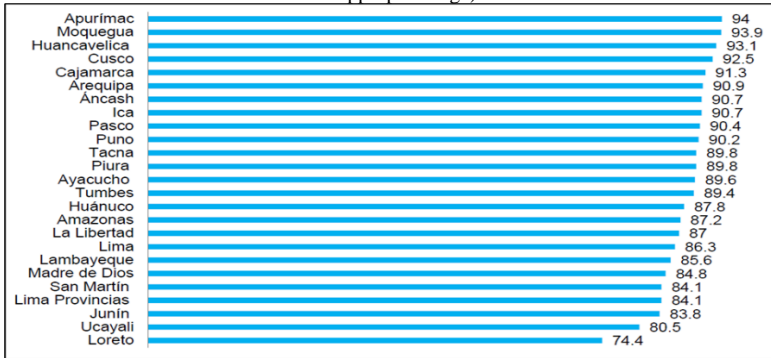


Source: INEI-SIRTOD (2009-2014), INEI-ENAO (2015-2019), and IPE (2021).

The situation in Loreto and Andean regions such as Huánuco, Apurímac, Cajamarca, Huancavelica, Áncash, Puno, and Ayacucho is among the most concerning. These areas continue to experience governmental neglect, limited educational budgets, and low regional competitiveness. In the short term, this means few opportunities for improving the quality of life for Peruvian students. In the labor market, they will be the ones "earning an income below the minimum vital wage by 2021" (IPE, 2021, p. 1). Conversely, school attendance for Peruvian students aged 3 to 16 was impacted by the reduction in the education budget, as well as the increased need for adolescents to participate in economic activities to support their families, especially in Amazonian and Andean regions. In this regard, with the intention of reducing student dropout rates, the government of Pedro Castillo Terrones "invested S/.170.7 billion Peruvian soles, which led to the implementation of educational programs affecting the pedagogical quality of teaching and learning processes and evaluation" (FLORES, 2023, p. 89). However, due to the limited management capacity and fragile decentralization of Peru, Amazonian regions such as Loreto and Ucayali

showed concerning post-pandemic rates of 74.4% and 80.5%, respectively.

Figure 3. Basic School Attendance (rank among 25 regions, percentage value of the population aged 3 to 16 attending preschool, primary, and secondary education at the appropriate age).



Source: INEI-ENAH0 (2015-2019) and IPE (2021).

In this regard, low school attendance rates in Amazonian regions are not solely due to the limited budget of 2021 but also because of an educational system that aims to standardize and overlooks the heterogeneity of Peru's geographical space and the ethno-cultural diversity of the Amazonian-coastal-Andean country. In this sense, there is still a concerning dependency on the national educational budget. Regional governments in Peru rely on the annual budget allocated by the Ministry of Education and approved by the Congress of the Republic, thus deepening the centralization and structural dependency of regional educational systems.

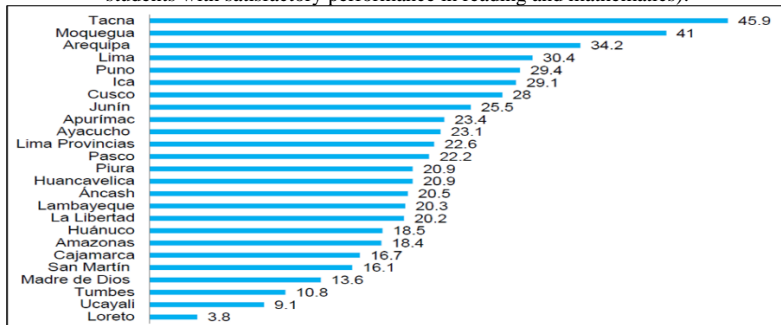
Consequently, Peru's educational development is linked to the 2021 investment by the Peruvian state, totaling S/6,468 million Peruvian soles, aimed at providing basic quality conditions in the educational institutions of the Peruvian school system. In this context, from the restoration of democracy and specifically during the Bicentennial period, regions such as Tacna, Moquegua, Arequipa, and Lima achieved primary education performance percentages in reading comprehension and mathematics at the 2nd/4th level of 45.9%; 41%; 34.2%; and 30.4%, respectively. This contrasts with the results of regions such as Loreto, Ucayali, Tumbes, and Madre de Dios, among others, with 3.8%; 9.1%; 10.8%; and 13.6%, respectively (see Figure 4). (FLORES, 2023, p. 91)

Regarding this matter, the economic and educational dynamics are determined by the immediate needs of the central government, which are influenced by the behavior of the economy. Consequently, it can be

asserted that Peruvian education, especially in Amazonian and Andean regions, is determined by the economic outcomes for the country.

Thus, regions with greater industrial or agro-export development tend to possess better educational services and larger budgets. Additionally, regions with better access to the capital, Lima, are able to access basic services. Consequently, the Amazonian regions, which are more distant from the Peruvian capital, tend to develop an educational microsystem, encountering inherent difficulties due to linguistic diversity. This results in a complex dynamic of structural dependency and fragile cooperation with the central government, combining the learning of the native language and Spanish.

Figure 4. Primary School Performance (rank among 25 regions, percentage of 2nd/4th grade students with satisfactory performance in reading and mathematics).



Source: MINEDU-ECE (2019) and IPE (2021).

The Amazonian regions, particularly Loreto, rank among the lowest in various indicators, both economic and educational. This situation is primarily due to the structural dependence of the region on governmental directives and the annual budget. Consequently, the complex educational and linguistic diversity of the Loreto region clashes with the differing needs of governmental power groups. Despite the establishment of a standardized public policy to improve educational and economic conditions as specified in the Bicentennial Plan of Peru towards 2021, and the establishment of a cultural education policy under the government of Pedro Castillo Terrones, compounded by the COVID-19 pandemic, have exacerbated the educational fragility of the Loreto region.

Due to ongoing issues such as school dropouts, limited budgets, truancy, and minimal academic performance, the region will continue to be considered non-competitive. Hence, students from Loreto upon

completing Basic Regular Education (EBR by its Spanish acronyms), will have fewer opportunities to enter the labor market or pursue university and/or technical studies.

In this context, the Amazonian regions have the least favorable conditions for economic and educational development, primarily because the Education pillar relies entirely on the economic trends of both Peru and its regions. According to Flores (2023):

In this regard, despite efforts to improve educational quality, increase spending per student, and enhance learning outcomes, the goal of tripling the annual investment per student has not been achieved. This objective was outlined in the Bicentennial Plan of Peru towards 2021. As a result, this shortfall has led to fewer opportunities for quality education. Consequently, it has hindered the development of competitive Peruvian citizens who can participate equally in various spheres of human interaction in Peru. (FLORES, 2023, p. 98-9)

It is highlighted here that, although efforts have been made to improve educational quality, increase spending per student, and enhance learning indices, the goal of tripling the annual investment per student has not been achieved. As a result, educational and economic disparities have worsened in the post-pandemic period.

3. Conclusions

The Loreto region, despite its wealth in natural resources and its significance to the Peruvian economy, faces substantial economic and educational challenges. The inadequate investment in educational infrastructure and basic services such as water and sewage, along with the region's economic dependence on the central government, contributes to its precarious situation.

Likewise, the linguistic and cultural diversity of Loreto, with the presence of various indigenous communities, poses additional challenges in the educational field. The absence of inclusive policies and the standardized approach of national education fail to cater to the specific needs of these communities, contributing to educational and linguistic gaps. Moreover, the reliance on central government decisions and resources continues to reinforce centralization and limits regional autonomy. This unequal distribution of funds and resources hinders educational and economic opportunities in Loreto, especially when compared to more developed regions in the country.

In summary, the COVID-19 pandemic has further worsened the educational and economic disparities in Loreto. Austerity measures and reductions in the educational budget have negatively impacted on the quality of education and access to economic opportunities, particularly for the most marginalized communities.

Therefore, to effectively address the educational, economic, and linguistic challenges in Loreto, it is crucial to implement inclusive and decentralized policies. These policies should acknowledge and value the region's cultural and linguistic diversity. This involves the equitable allocation of resources, strengthening educational infrastructure, and promoting bilingual intercultural programs that respect and uphold the cultural identity of indigenous communities.

As such, public policy plays a crucial role in resolving the educational, economic, and linguistic challenges in this region of Peru. A comprehensive approach that acknowledges and values the cultural and linguistic diversity of the region, as well as its geopolitical and economic importance is required. Implementing inclusive and decentralized policies is essential for ensuring equitable and sustainable development in Loreto.

In consequence, it is vital for public policies to focus on improving educational infrastructure and basic services in the region. This includes the construction of adequate schools, the provision of potable water and sewage systems, and access to information and communication technologies, especially in rural and remote areas.

In a similar vein, it is crucial to promote educational programs that honor and support the linguistic and cultural diversity of Loreto. This includes introducing bilingual intercultural programs that enable students to learn in both their native language and Spanish. Such programs should be customized to meet the unique needs of indigenous communities and encourage a sense of cultural and linguistic pride.

In addition, ensuring a fair distribution of educational resources and funds in Loreto is central. This involves decentralizing decision-making and empowering local authorities to manage resources effectively. Policies should also encourage active community involvement in developing and implementing educational, economic, and linguistic strategies.

Moreover, it is decisive to address the economic disparities in the region, particularly in terms of access to employment and economic opportunities. This can be achieved through economic policies that

encourage local development and economic diversification, as well as facilitating employment opportunities in key sectors such as sustainable tourism and agriculture.

In conclusion, achieving sustainable and equitable development in Loreto and similar regions requires an integral approach. This approach should address the specific needs of each community, promote inclusion and diversity, and encourage the active participation of all involved parties in the formulation and implementation of educational and economic policies.

REFERENCES

CEPLAN. *Pronósticos y escenarios: educación en el Perú al 2030. La aplicación del modelo internacional futures*. Lima: Biblioteca Nacional del Perú, 2015. Available at: https://cdn.www.gob.pe/uploads/document/file/1057117/ifs_educacion_final_para_web_15-03120200728-16199-1r8vu38.pdf. Accessed on: Mar. 10, 2024.

CEPLAN. *Plan Bicentenario El Perú hacia el 2021*. Lima: Biblioteca Nacional del Perú, 2011. Available at: <http://www.bosques.gob.pe/archivo/planbicentenario.pdf>. Accessed on: Mar. 10, 2024.

FLORES MARICAHUA, Bill Eglinton. *Estudo da política educativa linguística loreтана durante o último ano de governo de Ollanta Humala Tasso (2016): uma visão sobre a situação educativa linguística loreтана*. Trabalho de Conclusão de Curso (Especialização em Ensino-Aprendizagem de Línguas Adicionais) – Instituto Latino-Americano de Arte, Cultura e História, Universidade Federal da Integração Latino-Americana, Foz do Iguaçu, 2020.

MORALES ISLA, María. Un año de gobierno de Pedro Castillo: un breve recuento de las promesas incumplidas. La República. Available at: <https://data.larepublica.pe/un-ano-de-gobierno-de-pedro-castillo-un-breve-recuento-de-las-promesas-incumplidas/#:~:text=La%20Defensor%20C3%ADa%20y%20asociaciones%20de,de%20los%20C3%BAltimos%20seis%20a%C3%B1os>. Accessed on: Mar. 20, 2024.

Other sources:

IPE. *Índice de competitividad regional*. Lima: Instituto Peruano de Economía, 2018.

MINISTERIO DE EDUCACIÓN. Presupuesto 2021. Sector Educación. Lima: Minedu, 2021. Available at: https://www.congreso.gob.pe/Docs/comisiones2020/Presupuesto/files/sectores/educacion/presentacioncongreso_20oct_upp_vfff.pdf. Accessed on: Mar. 12, 2024.

MINISTERIO DE EDUCACIÓN. *Evaluaciones Censales*. Oficina de Medición de la Calidad. Lima: Minedu, 2021.

MINISTERIO DE EDUCACIÓN. *Decreto Supremo N° 262-2022-EF*. Diario Oficial el Peruano, Minedu: 2022.

MINISTERIO DE ECONOMÍA Y FINANZAS. *Guía de Orientación al Ciudadano del Presupuesto Público 2021*. Proyecto de Ley. Lima: MEF, 2021. Available at: https://www.mef.gob.pe/contenidos/presu_publ/documentac/guia_orientacion_ciudadano2021_proyectoley.pdf. Accessed on: Mar. 16, 2022.