

THE REPORT

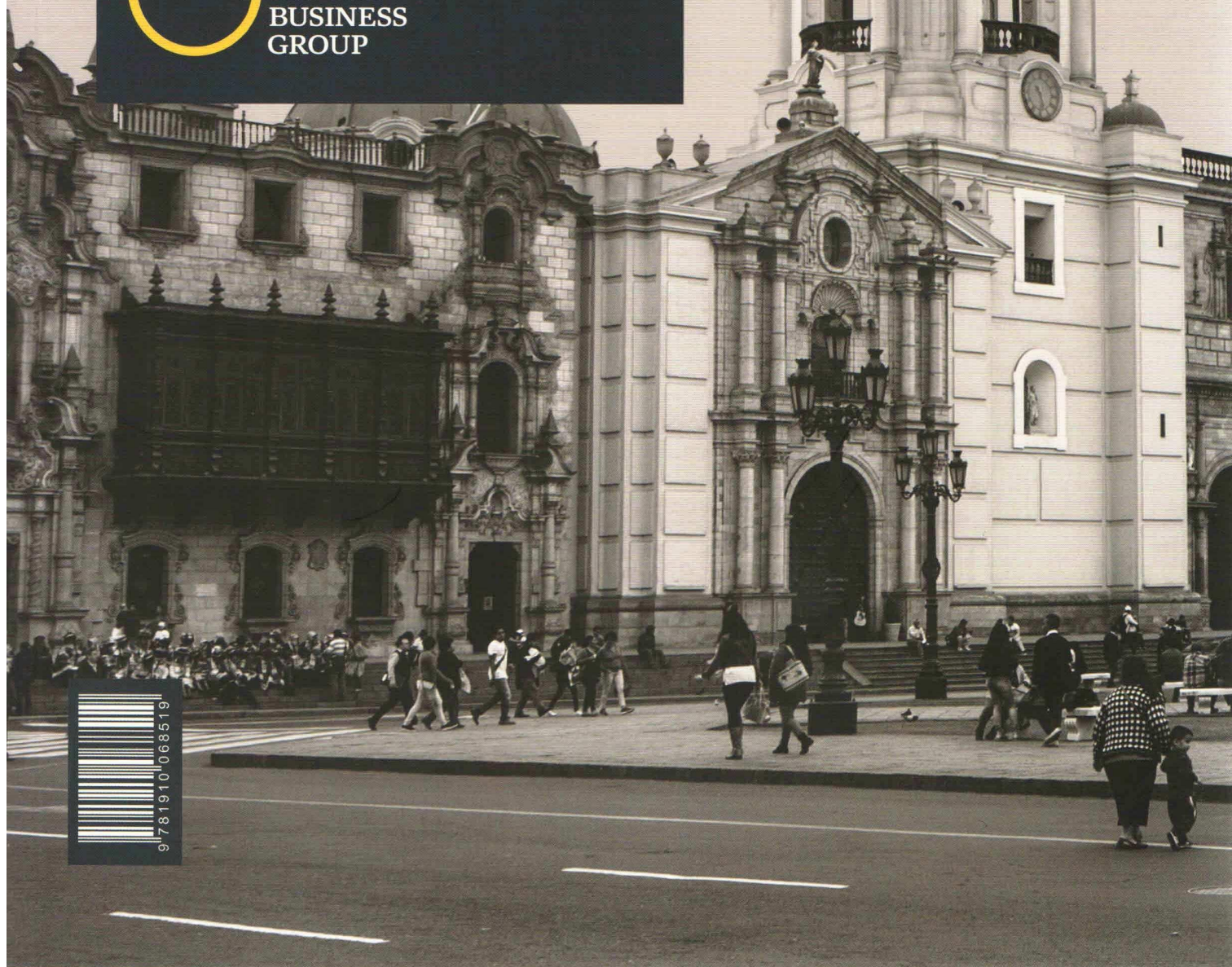
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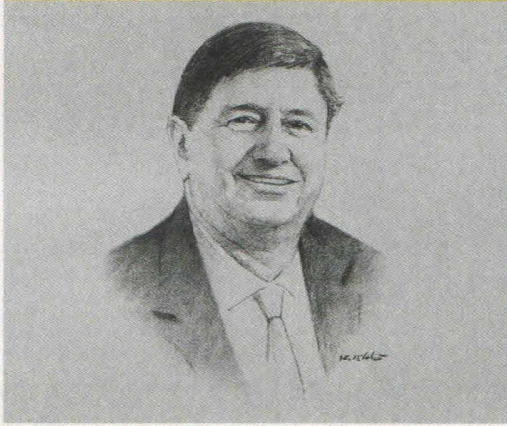
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Raúl Diez Canseco

Sector reforms

OBG talks to Raúl Diez Canseco, Founder, Universidad San Ignacio de Loyola

What kind of impact has the entrance of new universities had on quality, prices and access?

DIEZ CANSECO: Law 882, from 1996, increased both access to and the quality of higher Education in Peru by reforming the politicised governing systems that had dominated universities until then, replacing them with a more efficient framework. The law made room for more private initiatives, improving the overall competitive landscape of higher Education. Mandatory accreditations were the sole aspect missing from that law. Unfortunately, these were also not included in the recently approved Education reform.

It is important to highlight that for an accreditation system to work properly, the body handling these accreditations needs to be independent from the government in order to have an effective role in the market. Moreover, in order to increase the quality of the Education sector as a whole, further tax incentives will be required. These in turn will encourage private universities to embark on often expensive research and development projects.

What can be done to bridge the gap in educational attainment between urban and rural areas?

DIEZ CANSECO: Public spending needs to be increased on state schools and universities. For example, the current administration has implemented the important “Beca 18” policy, which has helped boost university access for excellent students with limited economic resources. Another important area to address is expansion into provinces across the country, which has been increasing in both the public and private sectors.

However, regional branches still require further support in terms of funding and access to qualified human resources. Digital platforms would be a useful tool in helping to overcome many of these challenges. At the same time, current regulations have limited the use of technology by requiring a large proportion of classes to be taught using traditional methods.

How can universities work with the private sector to ensure that graduates are equipped with skills that match the needs of the local labour market?

DIEZ CANSECO: At its core, the mismatch between graduate skills and market demand results from an information asymmetry. Students are aware of the state of the labour market when they start their degrees but cannot be expected to predict what the job market will be like four or five years into the future. Indeed, this mismatch is more noticeable in the technical courses taught by “institutos” than in the careers paths offered by universities. There is high demand, especially in the mining sector, for workers with the technical abilities taught at the institutos, but very few centres that address such demand.

How will the “Public Works for Taxes” programme improve education infrastructure?

DIEZ CANSECO: The main advantage of this programme is that it relies on private initiatives to develop infrastructure, which are more efficient than state-administered ones. For this scheme to achieve its desired goal of bringing Education to every village in the country, it should be accompanied by initiatives to encourage the development of human capital. Lastly, adequate regulatory incentives will be needed for universities to transfer existing human resources to the provinces.

To what extent will the Pacific Alliance’s scholarship programmes increase student mobility?

DIEZ CANSECO: While the number of direct mobility scholarships given out by the Pacific Alliance is relatively low, there are also other programmes, such as the Iberoamerican Academic Mobility Alliance, which will offer 200,000 mobility scholarships by 2020. That said, other issues need to be resolved – for instance, the lack of a treaty whereby Pacific Alliance members are able to recognise each other’s university degrees.