The Impact of Neoliberalism on Philippine Public Education and the Aid of the Special Education Fund

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Abstract

Neoliberalism remains to be a dominant ideology adhered to by most countries despite prevailing studies that demonstrate its aggressive assault to various aspects including public education. This paper analyzes the deficiency of the Philippine government’s investment on public education and notes how it is symptomatic of privatization, a dimension of neoliberalism that raises inequality and neglects the underprivileged majority. This study seeks to examine the extent of the impact of neoliberalism to Philippine education. Through a document review of reliable news articles and other relevant documents, this paper also examines the state of public schools in the Philippines including the role taken by the Special Education Fund (SEF)—a mechanism managed at the local level to provide supplemental funding to the insufficient national budget for the education sector. This study adds to the existing literatures which assert that the inadequate investment of the national government to the education sector, considered to be indicative of a neoliberalist agenda, has resulted in the deterioration of the quality of education in the country. The ultimate gauge of the government’s commitment in providing quality education services to its citizens is primarily through the investment they dedicate for it. Moreover, the misuse of this insufficient funding worsens the unfortunate educational situation of the country. An interesting avenue for future research is recommended to explore further in the political-educational nexus, on a theoretical and methodological level, which this study attempts to understand.

Keywords: local government unit (LGU), neoliberalism, public education, Special Education Fund (SEF)

Introduction

The western neoliberal ideology has changed the operational framework of many countries worldwide. According to the neoliberal ideology, market economy functions in a most efficient manner thus removing the need for state intervention. This economic reform has been accepted worldwide as it profits the ruling elite politicians at the expense of the underprivileged majority. It poses an alarming setback on the bulk of the state’s population as it raises inequality and undermines democracy, social justice and equity (Navarro, 1998;
This market logic is disadvantageous to the general public since the direction of the economy is controlled mainly by the private sector (Stone, 2016).

The interference of this market logic in the making of educational policies and curriculum can be explained in Karl Marx’s structure-superstructure concept. Marx argued that the economic base shapes the superstructure, and that the superstructure maintains and legitimizes this economic base. As the neoliberalist politics and economy continue to shape the educational policies, the education in itself serves to advance this market-driven economic agenda. The institutions that are built and the philosophies we adhere to are all determined by the economic structure of the society.

To effectively implement the right to education of every citizen in the country, the government must ensure that a sufficient proportion of the national budget is allocated to education and that this fund is to be used effectively and equitably to achieve quality education for all. In the Philippines, it may be true that the Department of Education (DepEd) is granted the highest budgetary allocations of the State’s national budget, however data as of 2013 revealed that the Philippine government education expenditure only comprises 3.4% of the national GDP (World Bank Collection of Development Indicators, as cited in Trading Economics, 2021). The UNESCO prescribed the allocation of at least 4% to 6% of a country’s GDP to provide quality education for all its citizens (UNESCO Global Education Monitoring Report, 2016).

This deficiency in the allocation of funds is a symptomatic trait of neoliberal consequence where privatization diminishes government support on education (Shizha & Kariwo, 2011). The public sector itself underwent considerable ‘downsizing’ as governments pursued an agenda of commercialization, corporatization and incremental privatization (Peters, 2012). The amount of funding and resources committed to an area directly affects the development, quality, and services it offers. Thus, it is argued that the government’s investment on education can be noted as the most significant aspect to the success or failure of its delivery of quality education.

In order to provide additional funding to public education, Republic Act No. 5447, otherwise known as the Special Education Fund (SEF) was created which is derived from an additional 1% tax on real property. The Philippine public basic education schools have long been suffering from the deteriorating quality of education due to a number of reasons: lack of school infrastructures, facilities and textbooks, poor teacher to student ratio and poor learning environment (Kritz, 2019). With the resources from the SEF that are intended to address these concerns, the local government units (LGUs) are responsible to supplement the national budget for the education sector.

This paper examined the extent of the impact of neoliberalism to the Philippine public education. It also discussed the state of public schools in the Philippines that is described to be deteriorating. Furthermore, it analyzed the role that the SEF has played in response to the effects of neoliberalist policies, and the arguments on misuse that has perpetuated its nobility.
Methodology

Methodologically, this paper relies on available documents from government websites and other reliable sources. Relevant secondary documents and published extant literatures and studies that critically engage on the Philippine educational system, corruption, neoliberal attacks on education and the case of the SEF were reviewed and analyzed to provide a clearer understanding of the topic at hand.

Results and Discussions

A. Impact of neoliberalism in Philippine education: A story of budgetary constraints

The public education sector of the Philippines is a victim of the disadvantage brought by neoliberal policies. It may be true that the education sector has been granted the highest budgetary allocations from the General Appropriations Act (GAA) consecutively in the past years; however, despite the nominal increases, the amount is actually ‘going down compared to inflation’ (Luistro, cited in Quismundo, 2012). Since neoliberalism advances privatization and limits government spending, the State has continued to fail in meeting the standard prescribed by the UNESCO wherein at least 4% to 6% of its national GDP is to be allocated for education. Fig. 1 shows the countries that belong to the ASEAN in relation to its government expenditure on education against its GDP.

Figure 1. ASEAN countries expenditure on education vs. GDP
Source: Index Mundi, 2016.
The 2018-2019 results of the Program for International Student Assessment (PISA) conducted by the OECD sparked debates as the Philippines’ dismal rank was evident in the study. The Philippines ranked last in Reading and second last in both Mathematics and Science. The results concretized the deficiencies of the education system in the country. It served as another wake up call for the Department of Education as PISA results clearly defined that our education system is neither globally competitive nor at par with international standards (Punongbayan, 2019). This was the first time that the Philippines participated in this international assessment.

Figure 2. Performance in Reading vs expenditure per student (2018)
Source: OECD, PISA 2018 Database, Tables I.B1.4 and Figure; 1.4.4 as cited in Schleicher, 2019.

Fig. 2 shows the Philippines having the least public expenditure per student and being the worst ranked country in Reading. The 2013 Philippine government education expenditure against its GDP is marked at 3.4% (World Bank Collection of Development Indicators, as cited in Trading Economics, 2021). The country’s government expenditure on education has declined from the 3.81% GDP in 1998 to only 2.65% GDP in 2008 (Index
Mundi, 2019). Thus, with the accumulated lack of budget for education in the country for years, it has not kept pace with the rapid increase in school-age population resulting in the declining quality of basic education in the Philippines.

The K-12 Program implemented by the Aquino Administration is further said to have privatized education in the country. Through the Government Assistance to Students and Teachers in Private Education (GASTPE), this voucher system is designed to shift money away from public schools to the private schools making education a highly profitable business in the country. This provision could mean that the senior high school will rely its quality in the private sector, a clear band-aid solution to the problem of the public education sector. Rep. Sarah Elago of Kabataan party list fears that the DepEd might have actually designed the full implementation of the K-12 Program in a manner that will guarantee greater profit for school owners (Umil, 2017). Instead of shifting into privatization, the government must focus on reversing its habit of underfunding public education and instead pour more direct investments into public schools (ACT Teacher’s Party Rep. Tinio, cited in Umil, 2017).

Neoliberalism also has cascaded its dark light to the quality of Filipino graduates. Neoliberalism has a definite view of education: understanding it as human capital formation with emphasis on the skills and attitudes needed by a productive workforce—producing an ever-growing mass of profits for the market economy (Connell, 2013). By feeding laborers to profit-seeking establishments in and out of the country and cheapening labor wages by way of producing a massive number of graduates who are seeking for jobs, quality education is deteriorating. The study of the Philippine Institute of Development Studies (PIDS) regarding the current performance evaluation and incentive system among public school teachers can be indicative of the said neoliberalist agenda. It was found in the study that individual teacher’s performance is assessed on the basis of dropout and passing rates. Teachers are discouraged from retaining students even if they are not ready to advance to the next grade level (Kritz, 2019).

In 2019, the author of this paper had the chance to interview elementary school teachers from a public school for a research paper (Radiamoda, 2020). One very striking remark from a teacher was:

Mass promotion—we are applying this. Even if you fail a student for five years because of his low IQ. What can you do? Sometimes intelligence is genetics. Not all of them will become nurses and doctors, some will just become carpenters. Do you need extra intelligent people to become a carpenter? So, let them be, let them pass, they won’t become doctors anyway. This is an honest mindset. We have Grade 6 students who cannot read very well. I can give remedial sessions but with seven classes every day, with 50 minutes per class, remediation technique won’t be effective anymore. It is just short cut [done hurriedly].

If this is true to many teachers, one hopes not, there will be a growing number of students reaching the end of the mandatory education years without basic literacy—one that is an ill effect of a neoliberalist market logic.
A. The state of basic public schools: deterioration of the quality of education

The Philippine Institute of Development Studies (PIDS) has recently issued what should be considered as a critical warning about the state of public education in the country, one that fundamentally reveals that despite a general public impression that things are developing, the public education system is deteriorating at an alarming rate (Kritz, 2019).

The Alliance of Concerned Teachers (ACT) expressed their concern that public schools are bombarded with ‘perennial’ problems. As of November 2016, DepEd data showed shortages that the agency is yet to meet: 13,995 classrooms, 88,267 teachers, 235 million instructional and other learning materials, 2.2 million school seats for 2016 and 44,538 computer packages (Umil, 2017).

The lack of classrooms is just one of the many unresolved problems of the public schools. As private schools continue to increase their tuition fees, more and more Filipino students are forced to transfer to public schools due to their inability to manage such expenses. Because of this, schools find it nearly impossible to achieve the ideal student to classroom ratio. In some schools, one classroom hosts 2 shifts, one in the morning and another in the afternoon, instead of having a dedicated classroom for each section. This condition of public schools has an adverse impact on student performance and teacher effectiveness. One cannot expect the assurance of quality in an uncomfortable classroom condition that discourages collaboration and restricts mobility.

When the K-12 program was implemented, the perennial problem of the lack of books worsened. Issues in the procurement process have delayed the delivery of textbooks. Teachers have raised their concern that due to the unavailability of books that cater the new curriculum, they are using textbooks used in the previous curriculum thus defeating the purpose of the implementation of the K-12. These backlogs have become a burden to teachers since they are expected to do more with less.

While these sentiments are common, the pursuit of alternative sources of funding to address critical resource shortages in education is utilized. Although this may not ultimately solve the deep-seated problem of public education, it may at least offer supplementary support to the needs of the public schools that have not yet been addressed by the national government.

B. Interventions and mechanisms in response to a national education crisis: the role of the community and the LGU

With the insufficient State funding intended for education, local communities play a significant role in providing alternative resources for public school operations. In the aid of these societal actors, its proactive response to public schools in the country will hopefully counter the ill effects of neoliberalism.

Although basic education is still largely the responsibility of the national government and is delivered through the Department of Education, the LGUs provide supplementary
funding to support public schools in their locality because they have access to a sustainable source of financial resources that are allocated for the basic education subsector. The LGUs are considered as major partners of the national government in the delivery of basic education services (Manasan, Cuenca & Celestino, 2011).

Section 1 of the Republic Act No. 5447, otherwise known as the Special Education Fund, created a law that will support the provision of quality education for all as provided by the Constitution. The SEF is to be derived from an additional 1% tax on real property. This fund is originally allocated for the operation and maintenance of public schools; construction and repair of school buildings, facilities and equipment; educational research; purchase of books and periodicals; and sports development in amounts determined by the Local School Board (LSB). In 2017, Senator Jose Pimentel ‘Jinggoy’ Estrada Jr. filed an amendment on the SEF which states that the old provisions of the SEF do not anymore respond to the challenges of the times and therefore must be modified. In a Joint Circular (Department of Education (DepEd), Department of Interior and Local Government (DILG) and Department of Budget and Management (DBM), 2017), the SEF shall be allocated for the following expanded purposes: for the operation and maintenance of public schools, including the payment of electric and water bills; construction and repair of school buildings, facilities and equipment, payment of salaries, allowances and other benefits of teaching and non-teaching personnel, establishment and maintenance of extension classes including the creation of teacher items for the said classes, educational research, purchase of books and prescribed textbooks, periodicals, teaching aids, other instructional materials, and sports development as determined and approved by the LSB.

The roles of the LGUs as collectors of the tax intended for the SEF and as managers of the allocation and utilization of the funds are highly indispensable for the success of achieving the post-Education for All (EFA) goals of the Philippines which is targeted by UNESCO in 2030. It could be recalled that the Philippines was not able to attain the EFA goals set in 2015. In a report submitted to UNESCO for the World Education Forum held in Incheon, Korea, the Philippine government admitted that the steps it has created in realizing several EFA goals have been too slow to make it to target by 2015 (Chua, 2015). Some of the identified constraints to reaching EFA 2015 were the following: poor school infrastructure, lack of maintenance, and overstretched computer resources which hinders the improvement of learning aided by Information and Communication Technology.

According to Manasan, Cuenca and Celestino (2011), the Medium-Term Expenditure Plan (MTEP) of the DepEd suggests that the necessary resources for the realization of the EFA targets were not achieved by the national government. Although the SEF is not a full remedy on this lack of financial appropriation for public education from the national government, it may at least provide supplemental resources from the local government which at any rate may bridge the gap in the delivery of quality education in the Philippines, if utilized and appropriated properly.

As shown in Table 1, major cities in the National Capital Region (Manila, Makati and Quezon) received more than a billion pesos of collections from the additional 1% Real Property Tax from their respective LGUs in 2015 (Grande, ABS-CBN News, 2017). While Cebu City in the Visayas received 450 million pesos in 2016 and 346 million pesos in 2019 (Cebu City LSB, 2016-2019), the lowest SEF comes from cities in Mindanao (Guihulngan,
Lamitan and Marawi) which is set around a million or less in 2015 (Grande, ABS-CBN News, 2017). The higher the fair market value of a property in a province, city or municipality, the higher the SEF collection. Nationwide, the SEF collections reached more than 106 billion pesos between 2011 and 2015. This may not be enough to solve all the problems entrenched in the Philippine public schools, but the proper utilization of this fund can make a huge difference and impact on education. Additional school buildings, supplemental assistance for the maintenance and operating expenses of schools that include more books, improved support on sports development, more training for teachers, IT equipment to aid class instruction with technology, and more aid to public schools can be provided from the exuberant funding of the SEF.

Table 1. Highest and Lowest SEF Income

<table>
<thead>
<tr>
<th>City</th>
<th>SEF (in Php)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Top 3</strong></td>
<td></td>
</tr>
<tr>
<td>Manila</td>
<td>1,471,134,373.55</td>
</tr>
<tr>
<td>Makati</td>
<td>1,720,433,501.16</td>
</tr>
<tr>
<td>Quezon</td>
<td>1,471,134,373.55</td>
</tr>
<tr>
<td><strong>Bottom 3</strong></td>
<td></td>
</tr>
<tr>
<td>Guihulngan</td>
<td>1,557,927.83</td>
</tr>
<tr>
<td>Lamitan</td>
<td>1,167,796.89</td>
</tr>
<tr>
<td>Marawi</td>
<td>795,338.70</td>
</tr>
</tbody>
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The SEF is a mechanism established by the Philippine government enshrined in the 1987 Philippine Constitution and the 1991 Local Government Code to respond in providing quality education to the people. This was the spirit and wisdom of the policy—noble and well-intentioned; however, ever since its inception until today, the SEF program has been associated with issues and allegations of irregularities that render and cast this well-intentioned education program in a negative light.

A number of researches have been done to evaluate the implementation of the SEF. The study of Manasan, Cuenca and Celestino (2011) examined the management of Special Education Fund (SEF) in terms of collection, allocation and utilization in order to maximize LGUs’ support for the Education for All (EFA) initiative and to promote a more equitable allocation of resources for basic education. Most importantly, the study pointed out the need to improve the governance of Local School Boards (LSB). The LSB is a special body crafted by virtue of Republic Act No. 7160 (Official Gazette of the Philippines, 1991), popularly known as the Local Government Code of 1991. Its focal duty is to allocate the SEF to meet the supplementary needs of the local public-school system.

There have been movements to scrap the SEF due to misuse and corruption. According to Arranza (2017), the SEF has not only been politicized, but has also become the subject of several corruption charges filed at the Office of the Ombudsman against some local government officials. He added that since the enactment of RA 5447, a significant
amount collected by the LGUs for the SEF has been misused by some local government officials in the country.

In her report, Grande (2017) enumerated the Commission on Audit (COA) 2012-2015 review on SEF expenditures of the LGUs. The report revealed that over 520 million pesos in SEF had been misused for purposes other than what was provided by the SEF law at that time. In 2013, the COA reported that Manila used 11 million pesos of its SEF on expenses for the graduation ceremonies and other events e.g., flowers, food and drinks. In Makati, 7.2 million pesos of the SEF was spent on an excess purchasing of 31,500 workbooks. In 2013, COA also reported the misuse of the SEF in Cebu City. An amount of 48.2 million pesos was used as performance incentives for public school teachers which are not among the purposes that can be charged under the SEF (Bongcac, 2013). Some local government officials faced charges of the non-conformity of the use of the SEF with the existing provisions and regulations under the law. It can be noted that the LSB formulated the budget without deliberating on the various memoranda issued by the DepEd affecting SEF budgeting and prioritization.

This problem that plagues the implementation of the SEF can be linked to the deep-seated problem of corruption within the agency. It is a common view that corruption is one of the major challenges in the Philippines, even in the education sector (Durban and Catalan, 2012; Seth Jones, 2013). Corruption exists in various levels including the DepEd (Reyes, 2007; 2010). While the DepEd is the biggest bureaucracy in the Philippines with over half a million-people employed (Reyes, 2007; 2010), it is considered to be one of the most corrupt national agencies of the country (Carino, Iglesias, & Mendoza, 1998). Education specialists reminded the local government officials to prioritize the utilization of the SEF on ventures that will truthfully benefit the standard of education in the country instead of using it to advance their political ambitions or to whatever personal purpose it serves them.

Conclusions and Recommendations

This paper has four main objectives: (1) to examine the impact of neoliberalism to Philippine education, (2) to discuss the state of public schools in the Philippines, (3) to analyze the role of the Special Education Fund in response to neoliberalism and (4) to deliberate on the perpetuation of corruption in the SEF. This study showed how the conflicting ideology of neoliberalism nurtures inequality by depriving the public education sector the support it deserves to promote quality education thus widening the gap between the wealthy and the marginalized. Furthermore, this study presented the SEF as a valuable intervention of the community and the local government to respond to the national education crisis. The SEF must be expended for the public education to contribute to its education goals. It is argued that the SEF is not the remedy to the national government’s deficiency on budget allocation to education, but it may at least provide a level of reinforcement to aid the needs of the public schools. Yet, even to the noblest reason of its creation, issues on misuse have not failed to cascade a dark light on it. The 1987 Constitution provides that the State shall protect and promote the right of all citizens to “quality” education at all levels and shall take appropriate steps to make such education accessible to all. However, the relentless hegemony of neoliberalism in the country defied the very spirit of quality referred to by the Constitution. Instead of shifting into privatization and
underfunding the education sector, the national government must pour more direct investments into public schools. This investment committed to education and its lawful and honest utilization are the most significant aspects in the attainment of quality education. Moreover, it is crucial that sufficient funding to public schools across the country must essentially come from the national government. Since the SEF income depends upon real property tax that favors highly urbanized cities and disadvantages rural public schools, this disparity may result in a wider gap of the quality of education provided in rural and urban public schools. The SEF must be used effectively to achieve quality education in each locality.

This paper adds to the existing literatures which assert that the inadequate investment of the national government to the education sector, considered to be indicative of a neoliberalist agenda, has resulted in the deterioration of the quality of education in the country. It is to be stressed that the ultimate gauge of the government’s commitment to providing quality education services to its citizens is primarily through the investment they dedicate for it.

This paper recommends further research that will analyze another interesting theoretical lens in the area of politics of education or educational politics since it can shed light on the nuances of power and distribution of values as education arena intersects with political dynamics in various settings (Wong, 1994; Stout et al 1994; Johnson Jr, 2003; Candelaria, 2012; Go, 2016; Pernia, 2017).

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