Network Governance and New Philanthropy in Latin America and the Caribbean: Reconfiguration of the State

This paper draws on the literature on network governance and new philanthropy to characterize and explain the increased involvement of non-State actors in education policymaking in the Dominican Republic. The study reveals, first, how network governance has intensified since 2010 through hybrid public-private spaces of agenda setting, second, how these hybrid spaces have given way to the emergence of new philanthropy, which engages directly with the State as part of its efforts to influence policymaking, and, third, that new philanthropy is evolving to include, as well, the generation of profits, both within and beyond the Dominican Republic, through the creation of an affiliated profit-seeking consulting entity. The paper concludes by arguing that future studies should bring the concepts of network governance and new philanthropy into conversation with theoretical approaches that emphasize the underlying political-economic structures within which non-State actors operate.

Keywords: governance; philanthropy; education policy; Dominican Republic.

Introduction

In the past decade, the literature on privatization has highlighted the concept of privatization "through" policymaking (Ball 2012), which refers to the way that a range of non-State actors are involved and influential in the formulation of policy. In Latin America and the Caribbean (LAC), several recent studies have drawn attention to this phenomenon, which is by no means a new one. Though these studies have emerged more recently, many of them map the role of non-State actors in policy formulation since the 1980s, with a focus on multi- and bi-lateral international organizations. A few examples of such studies include those focused on Argentina (Beech 2011), Colombia (Diaz Ríos 2016), Ecuador (Baxter 2016), and El Salvador (Edwards, 2013, 2018).

Within the literature on non-State actors in LAC, it has been less common, until recently, to explore the ways that other actors, such as think tanks, business coalitions, and philanthropic organizations, have sought to engage in "network governance" (Ball 2009), wherein such actors not only seek to insert themselves in the processes of policymaking but also seek to reshape the nature of those processes, often in ways that blur the distinction between public and private contributions. That said, research on these issues has begun to emerge in the contexts of Brazil (Avelar and Ball 2019; Tarlau and Moeller 2020), Honduras (Edwards et al. 2020a, forthcoming), Peru (Bird and León 2019), and Uruguay (Moschetti et al. 2020).

However, while such studies tend to examine the various strategies and preferred policies of different non-State actors, we argue that the literature on this kind of privatization in LAC could benefit from further exploration of three related issues: First, the circumstances that give rise to privatization "through" policymaking; second, the way that this kind of privatization—enmeshed as it is with network governance and the emergence of philanthropic organizations—contributes to fundamental changes in the way the State apparatus functions; and, third, the emerging tendency of new philanthropy to engage transnationally in the politics of education reform, and in ways that are profit-oriented. We seek to make a contribution in these three areas by drawing on a recent study (Edwards et al. 2020b). To the extent that we are successful, we not only provide insight into how, why, and with what consequences network governance has emerged as a strong force within education policymaking in the Dominican Republic, but also into recent developments in new philanthropy itself towards revenue generation and its expansion across the LAC region.

The Dominican Republic makes a good case from which to investigate these issues. Here, since 2010, privatization "through" policymaking has become clearly evident. As we will discuss, the emergence of this form of privatization has been, first, a result of increasing openness on the part of the State to invite non-governmental actors into processes of planning and feedback, and, second a result of a sustained increase in education funding, thanks to pressure from civil society to comply with the constitutionally-mandated level of investment in education. New philanthropic organizations see in this context not only the opportunity to involve and ingrain themselves but also to influence decisions about how increased funding should be invested, in addition to seeing opportunities to pursue profit. Thus, the purpose of this paper is, first, to characterize, in the case of the Dominican Republic, the circumstances around the emergence and influence of network governance and new philanthropy in the education sector; second, to consider the import of these phenomena for the reconfiguration of the State, for how a reconfigured State works, and in whose interest; and, third, to reflect on the implications of the evolving transnational mission and activity of new philanthropy based in the Dominican Republic.

In alignment with other scholars who have set out to unpack the phenomenon of global philanthropic governance (e.g., Ball 2009; Olmedo 2014), our paper departs from the sociological approach of State theorist Bob Jessop (2016). As Jessop (2016) elaborates, the State—i.e., the administrative apparatus through which the government meets its responsibilities—is not a unitary entity but rather is "a fragmentary and fragile arrangement of institutionalized political power," with the implication being that research can contribute by

characterizing "the State as it actually exists and operates, on its own terms and in wider political and social contexts" (18). More specifically, in approaching research this way, the task is to show how certain "social forces" have unequal access to the State:

> One must identify the actual modes of political representation at various sites and scales of action and how they operate, both formally and informally, to enable political forces to voice and promote their contingent material interests and their unconditional ideal interests (values) by virtue of their differential access to centres of political formation, decision making and implementation. (61)

In order to produce the necessary insights, we drew primarily on interviews. As further described in Edwards et al. (2020b), 48 interviews were conducted with key actors from across the education sector in the Dominican Republic, including from government (n=9), international organizations (3), the business-philanthropy sector (4), non-governmental organizations (3), universities and teacher training centres (9), organizations linked with the Catholic Church (2), teachers' unions (5) and teachers (13), among others. Snowball sampling was employed to seek out key participants who had first-hand experience in the dynamics of education reform, in order to understand which organizations participate, relations among participating organizations, and the different forms of engagement and different logics that guide organizational involvement with and around the government related to education policy.

We begin by discussing key concepts and points of connection in the literature on network governance and new philanthropy. This is followed by a brief explanation of the factors that have enabled the involvement of non-State actors in policy processes in the Dominican Republic since the 1990s. Subsequently, two substantive sections present insights on the

dynamics of network governance and new philanthropy. The first of these two sections distinguishes among three different forms of network governance and explains the differential level of influence they enjoy in relation to the State. The second findings section uses the case of Inicia Educación, an organization set up by the Vicini Group, a business conglomerate, to show how new philanthropy not only engages directly with the State but is also evolving in its pursuit of profit, both within and beyond the Dominican Republic, as a result of the "regionalization mandate" that it has been given by its parent entity. The final section then considers the implications of our insights on network governance and new philanthropy. We argue that future studies should bring the concepts of network governance and new philanthropy into conversation with theoretical approaches that emphasize the underlying political-economic structures within which non-State actors and their networks operate.

Network Governance and the Privatization of Education Policy

As already noted, privatization "through" education policy brings into sight the strategies by which a range of private actors—including corporations, non-governmental organizations, and philanthropic organizations—are increasingly involved in processes of policy making and implementation. As Ball and Youdell (2007) have argued, "It is not simply education and education services that are subject to forms of privatisation: education policy itself – through advice, consultation, research, evaluations and forms of influence – is being privatised" (10).

Many studies have addressed the heightened participation of non-State actors in networks and communities of education policy production (Ball 2019; Ball and Junemann 2012; Ball 2012; Lingard and Sellar 2013; among others). These studies alert us to the reconfiguration of

State processes that can result from the intertwining of government, corporations, philanthropies, and non-governmental organizations. A consequence of this intertwining is that States ultimately "share" the work of governing with other actors (Bevir 2011). This approach to the work of governing has been referred to as "governance," which is "accomplished through the informal authority of diverse and flexible networks," as opposed to the approach of "government," which "is carried out through hierarchies or specifically within administrations and by bureaucratic methods" (Ball and Junemann, 2012, 3).

A key feature of these new arrangements is that they entail different relations among the State, the market, and philanthropy (Avelar and Ball 2019). As Ball and Junemann (2012) highlight, there is a change of equilibrium among governmental bureaucracy, markets, and networks—leading Rose (1996) to comment on the "*de-governmentalisation of the state*." While Rhodes (1994) has characterized the shift away from governmental bureaucracy as a hollowing out of the State, for Olmedo (2017) "this new model implies a 'roll-out' of government, based on the creation of new structures and technologies of governance that would redefine its roles and responsibilities but, at the same time, would resituate it strategically both in normative and institutional terms" (73). Practically speaking, the State becomes a "monitoring state" (Hodgson 2012) or a facilitator that is involved in value chains and which "co-labors" with other actors through market-based strategies, rather than acting autarchically (Wanna 2009, 266).

In contrast to autarchy, where an entity relies on itself, the shift from a State that occupies the center of power—government—to a State that works together with a variety of other actors in decision making—governance—is known as "heterarchy". For Ball and Junemann (2012),

heterarchy is an "organisational form somewhere between hierarchy and network that draws upon diverse horizontal and vertical links that permit different elements of the policy process to cooperate (and/or compete)" (138). The asymmetrical and flexible networks and interdependencies through which actors engage (Olmedo 2014; Rhodes 1997) generate changes "in the centre of gravity around which policy cycles move" (Jessop 1998, 32), towards what the author calls a "polycentric State," or a State with more than one locus of control.

Although there is no consensus regarding whether the incorporation of non-State actors in the formulation of public policies represents progress or regress for the democratic character of policymaking, it does seem to be widely accepted that this incorporation is not neutral. The networks in question are, without a doubt, a medium for articulating, circulating, validating, and naturalizing (often neoliberal) ideas about what good policy is (Ball 2007). Over time, the discourse through which these ideas are communicated comes to be seen as a natural—as in, unnoticed, unremarkable or taken-for-granted—feature of public sector reform (Ball and Junemann 2012). So too do the various forms of engagement of non-State actors come to be seen as normal. Some examples include consulting services, committee membership, and sponsorship, among others (Ball and Junemann 2012). The situation is no different in the Dominican Republic, as will be shown later, particularly when it comes to new philanthropy.

New Philanthropy: Setting Policy and Generating Profit

Generally seen as an act of charity practiced by those with large fortunes—whether individuals, foundations, or corporations—philanthropy has been traditionally defined by a sense of obligation to donate a portion of one's accumulated wealth (Saltman 2010). Politically speaking,

it has been common for some philanthropic actors to engage in advocacy to defend or promote their interests (Reckhow and Snyder 2014). In recent years, however, the strategies of philanthropic actors have begun to change, leading to the application of the term "new philanthropy" (Avelar and Ball 2019)—sometimes also called venture philanthropy (Saltman 2010) or philanthrocapitalism (Baltodano 2017). Organizations that engage in new philanthropy go beyond the donation of resources. As Reckhow and Snyder (2014) point out, education-focused philanthropies are increasingly connected to policy, "supporting groups involved in policy advocacy, funding organizations that promote competition with public sector institutions, and providing convergent funds to key groups advancing favored policy priorities" (193).

In addition to showing greater involvement in policy, new philanthropists depart from a different paradigm, more based in business logic. According to Terway (2019), the rise of new philanthropy has blurred the lines between charity and investment. This paradigm is evident in how these organizations employ a certain discourse, coming from the business sector. As Saltman (2010) explains:

> [Venture philanthropy] treats giving to public schooling as a "social investment" that, like venture capital, must begin with a business plan, involve quantitative measurement of efficacy, be replicable to be "brought to scale," and ideally will "leverage" public spending in ways compatible with the strategic donor. Grants are referred to as "investments," donors are called "investors," impact is renamed "social return," evaluation becomes "performance measurement," grant-reviewing turns into "due diligence," the grant list is renamed an "investment portfolio," charter networks are referred to as "franchises," to name but some of the remodeling of giving on investment and particularly on venture capital models (64)

In addition to the above, some authors have noted that new philanthropy goes beyond efforts to

recreate the public sector in its image, seeking as well to generate profits for themselves, for their funding organizations, or for other private sector actors who can profit from involvement in the provision of education and education-related services (Ball and Olmedo 2011; Baltodano 2017). In so doing, the efforts of new philanthropy can also open the door for other non-State actors to participate in the social policy arena, such as consulting companies and corporations, thus "repopulating and reworking existing policy networks" (Ball and Olmedo 2011, 83).

Setting the Stage for Network Governance and New Philanthropy in the Dominican Republic

Two contextual shifts over time have paved the way for network governance and new philanthropy in the country. The first was the practice, initiated at the beginning of the 1990s, of creating commissions and strategic plans to guide government action. In education, two commissions were established in 1991 with participants from across the sector—one commission to guide the creation of a new legal framework for education and another "to study the situation in education and its problems and to present suggestions for their resolution" (Morrison 2016, 343). The first commission's work bore fruit in 1997, when General Education Law 66-97 was approved. A key aspect of this law was that it stipulated that "public spending on education be 16% of all public spending or 4% of the GDP, whichever was the higher of the two" (OECD 2008, 145).

For its part, the second commission led to the production of a document, "Pact for the Homeland and the Future of Dominican Education." Published in 1991, it not only served as the basis for the National Congress on the Ten-Year Education Plan (which took place in late 1992),

but was also preceded by a process of broad consultation at the municipal and provincial levels. For our purposes, the importance of these developments is that they initiated a practice which has endured, that is, the elaboration of high-profile strategic documents, produced at regular intervals, to orient and legitimate reform priorities. As will be seen, network governance has become central to these efforts more recently.

The second development relates to government investment in education. Although, as noted, General Education Law 66-97 mandated an increase in the education budget, as of 2010 the level of funding was still far from the target of 4% of GDP (Morrison 2016). At this point, the accumulation of frustration was channeled into a social movement led by civil society, specifically, the Coalition for a Dignified Education, which pressured the government to comply with the legal requirement to direct 4% of GDP to education. The Coalition's efforts payed off in 2012 when, in the context of presidential campaigns, all candidates agreed on the need to prioritize and finance education in accordance with the education law (Hamm and Martínez 2017). Importantly, the candidate elected (Danilo Medina) complied with his promise, drastically increasing funding in his first year in office. Subsequently, this has had two effects. On one hand, it has allowed the government to enact many of its reform priorities (e.g., extended school days, the construction of new schools, hiring more teachers, curricular reform, teacher training, and professional development); on the other hand, elevated funding to education has also attracted the attention and the interest of other actors, who have dedicated themselves to shaping the government's reform agenda.

Network Governance in the Dominican Republic: Towards Hybrid Structures

Networks and structures related to governance intersect in three different ways in the Dominican education sector. As discussed in this section, more typical forms of engagement between governmental and non-governmental actors have given way to hybrid structures that allow non-State actors to operate within spaces that are an extension of the State apparatus. Although the examples provided in this section are presented as separate, it should be noted that they are all part of the same field of activity and that, as explained, each is facilitated by the overlapping and flexible networks and interdependencies that are characteristic of heterarchy (Olmedo, 2014; Rhodes, 1997).

First, in low- and middle-income countries, it is common for international organizations—such as those of the bi- and multi-lateral variety—to work with governments through established processes related to the delivery of financial and technical assistance (Olmedo, 2017). In recent decades, it has been typical of international organizations to coordinate their support through working groups that meet regularly with government counterparts (Edwards and Brehm 2015). While the ability of these working groups to influence government reform priorities varies across country contexts, the key point here, in the Dominican Republic, is that the two education-sector working groups led by international organizations (i.e., by the World Bank and UNICEF) function simply as "spaces of dialogue" that allow different organizations to share about their projects and approaches—in order to avoid duplication—though it is also the case that these spaces permit neither meaningful coordination with other donors nor genuine engagement with the Ministry of Education that would allow these

organizations to influence the government's agenda (Representative of international cooperation). Although this state of affairs may reflect the concept of network governance discussed by Rhodes (1996) —where various institutions share resources (whether information, experience, or money) to meet their objectives—it is necessary to underscore that, in the Dominican Republic, these working groups were prioritized to a greater extent by the government before spending on education reached 4% of GDP (International organization representative). From that time—2010 onwards—the attention given to international organizations has diminished, since the government can now afford to finance many of its own priorities.

Second, networks affect the Dominican education sector through the work of organizations that represent the business sector. Particularly, we refer here to Educa, a think tank founded in 1989 that advances the interests of private companies. On one hand, Educa engages in the production of knowledge and recommendations; on the other, it focuses on advocacy about topics such as public-private partnerships. The basis of Educa's influence is its willingness to insert itself into debates about education in the aforementioned ways. Unsurprisingly, a key facilitator of Educa's enagagment is the media. A representative of Educa describes the relationship of these two actors:

> Educa receives ample coverage from the media. We are, perhaps, one of the organizations with the most … I guess you would say credibility. …. And we are very open, too, so that Educa can be very proactive with the news media. I mean, we can take to news outlets our communication campaigns, platforms, suggestions. We do it all the time. We are in the news, I would say, on average, two times each week all year long, and, when a situation is developing, Educa is always the voice that the media seek out (Private sector representative).

In part, Educa's credibility stems from its practice of pushing for the use of data in identifying and responding to the education sector's challenges—a practice which, from the perspective of Educa, breaks with the tendency of Dominican civil society organizations to base their advocacy on "impressions, qualitative impressions based on personal experiences, but not systematic analysis" (Private sector representative).

The rigorous use of data is precisely a strategy that Triantafillou (2004) underscores as a characteristic of network governance: key actors introduce expert knowledge in order to define social problems; to inform, engrain, and enable specific reform strategies; and to implant such guiding principles as efficiency, participation, and accountability in the political process. In this way, Educa, together with other actors (such as those discussed later), inserts the perspective of New Public Management (which is concerned with advancing the principles just mentioned) into the language and policies of education system reform. Practically speaking, and with relevance to network governance, Educa has been able to advance its approach to policymaking precisely because many of its representatives have been able to secure political and technical positions at the highest levels of government, and specifically within the Ministry of Education. But Educa is not the only actor that benefits from having its network inside the State.

The third example stems from the work of the Dominican Initiative for Quality Education (or IDEC, for its acronym in Spanish), a relatively formal space in which the networks clearly intersect and in which the heterarchical nature of relationships is undeniable. IDEC emerged following the 2012 mobilizations for increased education funding. With that funding in place, a range of organizations concluded that it would be wise to establish a formal mechanism to guide

State investment. At the same time, the Ministry of Education "wanted civil society to continue participating in the process of policy elaboration as well as in the follow-up and evaluation of what had been achieved (i.e., increased funding)" (Representative of international cooperation). Thus, in 2012, IDEC was created: a hybrid structure that brings together both the government and non-State actors, including those related to international cooperation, the business sector, and civil society (though it stands out that the teachers union does not participate with regularity). In its work, IDEC serves both as a space to propose specific policies or plans for the education sector as well as a vehicle through which to monitor and evaluate the enactment of these policies and plans. In the words of an international organization representative:

> The space of IDEC has helped us to meet, to coordinate ourselves and, above all, together, to define our work, to support the government in theorizing, in developing plans, in coming to agreement about what studies you are going to do, what studies I am going to do. I believe that IDEC has met the need to have a space for coordination, that opens space for dialogue (Representative of international organizations).

Thus, as this quote highlights, IDEC functions as a recognized and legitimate constellation of key actors within the ecosystem of education.

For our purposes, however, what is important to underscore is not simply the existence of the three avenues described above. Following the approach of Jessop (2016), it is crucial to take note of the differential positioning and influence of each form of network governance—in addition to noting the overall direction in which the trend of network governance is evolving. In contrast to the first and second examples—which are respectively driven by the interests of international organizations and the business sector, and, at least formally, function outside the

State—IDEC shows that formal structures have been created at the intersection of the State and non-State actors. Interviewees indicated that this space of network governance is at the center of meaningful discussions that inform policy formation, not to mention strategies for the monitoring and evaluation of policy. IDEC's centrality should not be surprising, since this is the only one of the three that is explicitly endorsed by the State and in which the State "co-labors" (Wanna 2009, 266). This third space reflects heterarchy in that it is characterized by a blurring of vertical and horizontal relationships (Ball and Junemann 2012) that function through flexible networks and interdependencies (Olmedo 2014; Rhodes 1997) and which at least partially shift the "center of gravity" when it comes to how and where policies are developed, thus creating a polycentric State (Jessop 1998, 32). But what is more is the fact that IDEC has opened the door for new philanthropy to cross the boundary that has demarcated its collaborative and joint work, on one hand, and from the tasks and decision-making that has tended to be the purview of the government, on the other hand. In other words, as the most recent and advanced prong of network governance, new philanthropy in the Dominican Republic is contributing to the further reconfiguration of the State by engaging with it directly, not only in group spaces like IDEC, as we further discuss in what follows.

New Philanthropy: The Case of Inicia Educación

Although Inicia Educación is a relatively young philanthropic organization, having been founded in 2010, it is only the most recent manifestation of the philanthropic history of the Vicini Group—controlled by the Vicini family, the wealthiest family in the Dominican Republic. The business conglomerate Vicini Group—a parent company with subsidiaries in the banking,

financial services, and agro-industrial sectors—has its roots in the 1860s, when its namesake immigrated to the Dominican Republic from Italy and invested in sugar cultivation. Up until 2010, Vicini Group engaged in traditional philanthropy, where a part of its profits would be converted into donations for school materials and school construction, in addition to making contributions to the health sector, among others. However, in 2010, the philanthropy changed both its area of interest—now exclusively education—as well as its modus operandi—from traditional to new philanthropy. In order to understand these changes and their implications for the contemporary reconfiguration of the State, we divide this section into three parts. The first highlights the transformation of Inicia Educación from a foundation to an investment fund; the second addresses the intimate connection with (or the infiltration of) government itself; and the third characterizes the more recent development where Inicia Educación seeks to profit off of its activities, within and beyond the Dominican Republic, rather than depending on donations from the Vicini Group.

From Foundation to Fund

The moment that most symbolizes the conversion from traditional to new philanthropy occurred in 2016, when the name was changed from Inicia Foundation to Inicia Educación: by dropping the label of foundation and projecting an image of itself as an investment fund, the philanthropy left behind the kind of traditional assistance for which it was historically well-known, such as building schools.

> We were Inicia Foundation until 2016, and when Vicini changed the name to Inicia Educación… that is the moment when it is announced that we function as an investment

> fund, with the same characteristics as the rest of the investment funds (of the parent entity) … We are one of the funds, the education fund. (Representative of the private sector)

The name change reflects the new identity of the philanthropy, which is more aligned with its current approach: "We are an impact investment fund charged with investing in those factors that most influence the improvement of the Dominican education system, quantifying results and the value added through associated indicators" (Inicia Educación, webpage).

Such is the desire to quantify their results and to speak in investment terms that they have created their own indicator to measure the value added by their projects to the improvement of education quality of the country. This indicator is the Education Improvement Index (or IME, for its acronym in Spanish). A representative of Inicia Educación characterizes the indicator and the way that it has helped this philanthropy to engage with the Ministry of Education:

> We have analysis of the last five years of progress of the IME, and that is how we measure, or, we report to our board two types of IME. One is national, for which we are recognized by the board and within our organization if we improve education in the country, not only if we improve the education offered by our projects, and for this reason our methodology is continually in contact with the Ministry [of Education], participating in all the meetings. Although we might not be able to make an investment in the decision taken, … we have a voice at least, and, in many cases, a vote so that the decisions made are appropriate and so that the IME grows. (Representative of the private sector)

There is also a sub-measure to the IME that Inicia Educación uses to determine the contribution to education quality—at the national level—of each of its projects. These measures are then translated into an indicator of economic value, which, in turn, allows Inicia Educación to calculate figures for return on investment.

Overall, though, what is most salient is, first, the way that the approach delineated here reflects the characteristics of new philanthropy, namely, the invocation of business language (Saltman 2010), the adoption of a business mindset (Terway 2019), and the belief that this approach supposedly can help to generate benefits for the education (Ball and Olmedo 2011). Second, and as we will further elaborate below, what stands out is the intersection of new technologies (e.g., IME) with new structures, as Olmedo (2017) suggests will happen. However, in contrast to Olmedo (2017), rather than a "a 'roll-out' of government, based on the creation of new structures and technologies" (73), as in the case of IDEC, it seems that the Dominican case reflects what can be described as an "opening up of the State," wherein non-State actors enter into and shape State spaces and processes. Or, in the characterization Ball (2007) and others, the actions of such organizations represent a "colonisation of the infrastructures of policy" in that "representatives of the private sector operate inside of government" (88-89).

Opening up the State

Interviewees from various organizations attested to the integral role that Inicia Educación plays not only in designing and executing its own projects but also in formulating government policy. However, the relationship with the State was not initially so open:

> I participate directly in meetings with the Minister [of Education], in the Minister's office, making decisions together with him. … We have open doors nowadays. In 2011, not so much, because we didn't know each other so well. So we did an exercise to earn trust: We opened a first project, showed how we were going to work, then they allowed us to start a second project, and it was much easier. … From 2014 onwards, the mention of our name began to open doors within the Ministry. (Representative of the private sector)

The words of a representative from civil society echo this characterization, when they state that Inicia Educación is "a great ally of the Ministry" and that, in recent years, in addition to contributing some of their own funds, "it has been very much directing the type of policy on which [the Ministry of Education] has been betting" (Representative of civil society). Likewise, according to a university representative, Inicia Educación "works hand-in-hand with the Ministry of Education and … has been the … most supported, after the World Bank" (Representative of the university sector). Further to the point, a union representative shared that Inicia Educación is "in all the organs [of government]," that it "has a very large impact," and that "it has weight in the definition of policies" (Union representative). And, finally, as the government itself admits, Inicia Educación "manages projects, executes and finances concrete, innovative projects. … They offer support to the Ministry of Education in terms of the budget on issues that have been agreed upon" (Government representative).

Inicia Educación has thus become a trusted actor due to its working style, and its ability to mobilize expertise and resources has served as an entry point into the Ministry of Education. However, as we note in what follows, while it may be that the financial contributions of Inicia Educación have helped to open the door to government, it is also the case that recent developments reveal the willingness of this organization to use its privileged position to generate profits for itself and its parent entity. Having become so close that the line between State and non-State actor has effectively been blurred, Inicia Educación now not only seeks to use its leverage to shape policy but also to generate revenue—both within the Dominican Republic and beyond.

From Dependence to (Transnational) Enrichment

Until 2016, Inicia Educación operated exclusively with the funding that it received from the Vicini Group. However, in that year, along with a change in name, this entity was also prompted to rethink its approach to revenue generation. The leadership of Inicia Educación saw this as good time to revise its strategy because this organization was bringing to a close the first cycle of five-year projects that it had begun in 2011: the new strategy was to generate its own income—taking advantage of the knowledge and skills that it had developed—through a new entity that would be called "512".

Although self-described as a teacher training institute, in effect, 512 functions as a private, for-profit consulting firm that is legally independent from Inicia Educación but which is completely linked to it in practical terms. Indeed, Inicia Educación is the primary client of 512, though the latter also has additional clients that it serves through contracts and competitive bidding.

As a non-profit entity, Inicia Educación can continue to work with the Ministry of Education, collaborating free of charge and providing donations, while, at the same time, generating revenue through other activities for which it has been contracted by 512. In the words of Inicia Educación:

> For example, … the training institute of the Ministry [of Education] opened a call for proposals to design the modules for teacher professional development at the secondary level. … When that call opened, … I could not offer a donation [from Inicia Educación], but I wanted to go for it because, for our strategy, it was vital. … So, we had just created 512 as an independent entity, we applied as 512, and we won. So we began to say, 'look, 512 is going to do the calls and proposals … because doing so aligns with the IME'. So right now we can

> say that within Inicia Educación we have a sustainable unit. (Representative of the private sector)

What stands out here is that Inicia Educación speaks of 512 as if it were located within this organization; however, in terms of the legal structure of the relationship between both, it is 512 that is able to win for-profit contracts, with Inicia Educación then being delegated the responsibility of fulfilling the work requirements. According to Inicia Educación, all the profits from 512's work are reinvested in other projects to improve the quality of Dominican education, yet there is no legal requirement that 512 channel its profits in this way. Reinvestment is entirely voluntary.

Further to the point, the nature of the arrangement above can be said to reflect a key characteristic of new philanthropy, though perhaps one that receives insufficient emphasis in the literature. Here, we refer to the fact that 512's profit-generating mission reflects the capitalist orientation of the organizations that have given rise to philanthropies like Inicia Educación. Although authors such as Rogers (2011) describe "the blurring of sector boundaries and the use of private wealth to solve social problems" as "two hallmarks of philanthrocapitalism," we also see here that there is a clear profit-seeking aspect to the activity of Inicia Educación and 512 (Rogers 2011, 377). Moreover, although 512 is, in economic terms, the principal and Inicia Educación is the agent, in practice, it is the other way around, with the implication being that a philanthropy is directing, if not formally controlling, a for-profit entity. And, ultimately, though there exists the intention of reinvesting profits in further education projects, there is nothing to stop project revenue from being treated as profit which is either retained by 512 or repatriated to

the Vicini Group.

This last point is particularly relevant when one considers that 512 works with other governments in LAC as clients, ostensibly "in order to contribute to the improvement of education quality and coverage in more countries" (Representative of the private section). To this end, since late 2019, 512 has been given a "regionalization mandate":

> We … had already worked moderately with Colombia, and with Peru, but now we have the mandate … In the same way that we have grown here [in the Dominican Republic], we have the capacity to install ourselves in other countries, to do something similar directed at the improvement of the education systems in each country. (Representative of the private sector)

Putting this development into context, we see, first, that the intimate involvement of new philanthropy in the Dominican Republic has led to a reconfiguration of the State apparatus, in terms of who is involved, how they are involved, and the values and metrics that guide decision-making; second, that this involvement has created an opportunity for private profit by retaining and capitalizing on the development of specialized knowledge and skills; and, third, that the resultant expertise and intellectual capital, which essentially reflects the work of the State, is being exported to other countries. Taken together, the developments portrayed here capture the essence of what has been termed "global social capitalism" (Ball and Olmedo 2011) and "global philanthropic governance" (Olmedo 2014). Going forward, it will be important for research to continue to map the trajectory and effects of this strain of for-profit philanthropy in LAC (a phenomenon not yet documented by other studies in the region), particularly as many governments are characterized by institutional weakness and are thus particularly susceptible to the kinds of incursions for which new philanthropy is known (Brinks, Levitsky, and Murillo

2020).

Concluding with a Way Forward: Network Governance and Political-Economic Structures

This paper has shown, first, how the Dominican State opened the door to network governance and non-State actors in the 1990s, second, how network governance has intensified since 2010 through hybrid spaces of agenda setting that are guided by State and non-State actors, third, how these hybrid spaces have given way to the emergence of new philanthropy, which engages directly with the State—both formally and informally—and in State-controlled spaces as part of its efforts to influence policy formulation, and, fourth, that the mission of new philanthropy is evolving to include, as well, the generation of profits, both within and beyond the Dominican Republic. While these insights make a contribution to the literature, the issue which we feel merits additional consideration at this point (and in future studies) has to do with how to explain the ability of new philanthropy to penetrate the State in the first place.

From our perspective, this issue receives insufficient attention and represents an area ripe for development. While most literature on network governance and new philanthropy fails to engage with the underlying political and economic structures that shape the ability of philanthropic organizations to exercise considerable levels of influence, Tarlau and Moeller (2020) are an exception. In their study of the Brazilian Lemann Foundation, they point out that "private foundations are only able to play [such an influential] role due to both their tremendous economic power, a direct product of the unequal global political economy, and the systematic defunding of the public sphere" (359). Just as does our study of the Dominican Republic, Tarlau

and Moeller (2020) reveal the way that a private foundation, thanks to funding from a corporate sponsor, was able to "philanthropize consent" to the preferences of the foundation in the process of policymaking by rendering the process a technical one that relied on the organizational capacity of the foundation. However, they also take the additional step of putting this participation and the dynamics involved into a more macro perspective that brings into view the political and economic structures that facilitate a reconfiguration of the State and policymaking processes.

While it falls outside the scope of this study to address the historical and dialectical relationships between global political economy, network governance, and corporate sponsorship of new philanthropy, this is a key area for scholarship going forward, not least because it provides an opportunity to bring the literature on these topics into conversation with State theory. At the outset, we noted that the sociological approach of State theorist Bob Jessop (2016) requires that one demonstrate how the State is a "fragmentary and fragile arrangement of institutionalized political power" (18). Although we have sought to do this, and although other scholars similarly draw on Jessop's (1998) writings on networks, where he elaborates that "the recent expansion of networks …. reflects a shift in the fundamental structures of the real world and a corresponding shift in the centre of gravity around which policy cycles move" (32), it is also the case that Jessop's approach implies a need to go beyond networks to examine underlying structures. Quoting Poulantzas (1978), Jessop (2016) writes that State power is "a relationship of forces, or more precisely the material condensation of such a relationship among classes and class fractions" (54), with the implication being that we must focus on the "inbuilt biases that

privilege some agents and interests over others" (54). The relevance here of these statements is that it is possible to understand neither the origin of the material wealth among different classes nor the settlement of tensions between classes through the State without explicitly engaging with the historical and structural dimensions of a given country context.

The above point is echoed by Olmedo (2014) in his work on global philanthropic governance when he states that "[i]dentifying hidden continuities within the apparent newness of the current social, political and economic framework is particularly important if we are to imagine solutions and alternatives to the discourses which circulate in these flows of power" (593). There is thus some acknowledgement of the way that network governance and new philanthropy do not function in a vacuum but rather function within pre-existing structures. An additional, and important, point made by Olmedo (2017) on the issue of structures is that, as networks form and as actors engage with one another in policy communities, "new vertical and hierarchical relationships are established and power imbalances based on the control of resources (physical, political, economic, social, and technological) by certain actors within the networks privilege certain interests and perspectives and marginalize others" (83). Thus, in addition to the suggestion above of looking at how networks are embedded in structures, and thus are "contributing to the reproduction of existing imbalances of power relations" (Olmedo 2014, 593), we also need to look at how new structures emerge from the "increasingly complex and opaque crossings, blurrings, interweavings or hybridities that constitute and animate this landscape of 'giving' and enterprise" (Ball and Olmedo 2011, 88), which, in turn, contribute to the reconfiguration of the State.

Returning to the previous point, the task going forward is to examine and explain how political-economic considerations have—both—facilitated the emergence and strengthening of new philanthropic organizations, on one hand, and the weak position of States vis-à-vis such actors, on the other. As Tarlau and Moeller (2020) indicate, carrying forward this kind of analysis will necessarily entail the intersection of research on global political economy together with research on network governance and new philanthropy. In the context of the Dominican Republic, this would mean extending the insights presented here and connecting them with an analysis of the "relationship of forces" (Jessop 2016) that have surrounded the State and been settled through it historically. Doing so may well reveal that the Dominican State—which has been subjected to American military intervention (1916-1924), military dictatorship (1930-1961), civil authoritarian control (1966-1978), constrained democratic politics (1978-1990), structural adjustment policies (in the 1990s), recent economic crisis (in the 2000s)—has never had the chance to develop its resources and capacities to the extent that would be required for it to more fully avoid or to challenge the contributions made by network governance and new philanthropy (if such were even possible in the context of globalization), particularly in recent years, as these actors have sought to use their technical savvy to influence how the State invests the enlarged education budget.[1]

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1 As noted in the 'Setting the Stage' section of this essay, the Ministry of Education has decided to use the increased funding to education to finance a series of reforms that reflect its priorities. We are thus not suggesting that non-State actors have replaced the government, nor that the government lacks all technical capacity. The focus of this essay has been to highlight the increasing involvement

At the same time, such an analysis would likely highlight the way that the global economy and domestic politics have consistently rewarded those who control exports (e.g., those from which the Vicini family has benefitted, such as sugar and coffee) while at the same time incentivizing those at the helm of the State to use their powers in self-serving and clientelistic ways, rather than building the power and independence of the State apparatus. With the benefit of such a perspective, both the disadvantaged position of the State and the comparative advantage of the non-State actors examined here would be expected. By extension, a question that would arise is not how or why network governance and new philanthropy are able to exercise influence, for this would be obvious, but rather how these phenomena further the interests of those actors, such as the Vicini Group, the World Bank, or other organizations dedicated to the development of human capital (e.g., the OECD), that have made their fortune from the global economy or otherwise are dedicated to serving its needs. Research of this nature would, in our estimation, be particularly powerful in its ability to connect the developments of network governance and new philanthropy back to the tensions, flows, and structural relationships which set them in motion and sustain them.[2]

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of non-State actors and the reconfiguration of State decision-making processes that is implied by it. This is important to emphasize, for the forms of engagement that have been underscored in this study have tended to relate to processes of policy formation, rather than the execution of other bureaucratic functions or large-scale policy implementation.

2 For examples of this type of research, see the contributions to Edwards and Means (2019).

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