



# Hidden privatisation in PUBLIC EDUCATION

Education International commissioned Dr. Stephen Ball and Dr. Deborah Youdell from London University Institute of Education to research and prepare a report on privatisation in education. They studied educational privatisation in Australia, New Zealand, England, the United States, Canada, France, Germany, India and other countries. **DR YOUDELL** presented a keynote address on their research to the 2008 National TAFE Council AGM and the AEU Federal Conference. This is an edited version of her speech.

There are a range of policy tendencies which can be understood as forms of privatisation that are evident in the education agendas of diverse national governments and international agencies. Some of these forms are explicitly named as privatisation but in many cases privatisation remains hidden, whether as a consequence of educational reform, or as a means of pursuing such reform.

## Forms of Privatisation

In some instances, forms of privatisation are pursued explicitly as effective solutions to the perceived inadequacies of public service education. In many cases, however, the stated goals of policy are articulated in terms of 'choice', 'accountability', 'devolution' or 'effectiveness'. Such policies often are not articulated in terms of privatisation but nonetheless draw on techniques and values from the private sector, introduce private sector participation and/or have the effect of making public

education more like a business. Hence, we refer to hidden privatisation.

It is important to recognise that privatisation is a policy tool, not a simple 'giving-up' by the state of the capacity to manage social problems and respond to social needs. It is part of an ensemble for innovations, organisational changes, new relationships and social partnerships, all of which play their part in the re-working of the state itself. In this context, the re-working of education lends legitimacy to the concept of education as an object of profit, provided in a form which is contractable and saleable.

These tendencies towards privatisation are having major influences, in different ways, on public education systems in countries across the globe.

## 'Endogenous' and 'Exogenous' Privatisation

From our research it is clear that there are two key forms of privatisation: privatisation *in* public education, and privatisation *of* education:

- Privatisation in Public Education or Endogenous privatisation: the importing of ideas, techniques and practices from the private sector in order to make the public sector more like businesses and more business-like.
- Privatisation of Public Education or Exogenous privatisation: the opening up of public education services to private sector participation on a for-profit basis and using the private sector to design, manage or deliver aspects of public education.

Even where privatisation involves the direct use of private companies to deliver education services, this is often not publicly well known or understood. 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. Private sector organisations and NGOs are increasing involved in both policy development and policy implementation.

The sorts of practices introduced by Endogenous Privatisation include:

- Quasi-markets
- Performance Management
- Accountability
- Performance Related Pay
- The Manager and New Public Management

Exogenous Privatisation introduces practices such as:

- Public Education for Private Profit
- Private Sector Supply of Education: contracting out services
- Private Sector Supply of Education: contracting out schools
- Public Private Partnerships
- International Capital Commercialisation or Cola-isation
- Philanthropy, Subsidy, Aid\*

These tendencies might be seen as simply an unintentional international policy drift towards greater levels and more diverse forms of privatisation in and of public services. Certainly highly influential western governments and international organisations such as UNESCO and the World Bank actively promote privatisation as desirable and necessary for their own economic prosperity as well as for the development of the world's poorer nations. Indeed, various forms of privatisation are identified as keys to achieving the education targets of the Millennium Development Goals and Education for All. That is, privatisation is written into the processes of establishing universal education in the world's poorest nations.

It appears that as interested parties intentionally escalate and export privatisation tendencies, these become increasingly 'common sense' or orthodoxy. They are taken up as 'default' policies. The overall trend which privileges privatisation as a public policy is clearly the result of deliberate promotion and advocacy by key actors and agencies.

### Transforming Labour Relations

Forms of privatisation in education have provoked a re-working of labour relations and conditions of employment. This brings with it concomitant constraints on the role of education unions and undermines collective bargaining and employment agreements. It creates the conditions where performance-related contracts of employment and pay can be introduced, contracts can be made more flexible personnel without teaching qualification, on lower pay and soft contracts can be brought in. Individualised contracts, performance-related pay, flexible contracts and the mix of qualified and other teaching personnel. These factors come together to differentiate teachers both inside education systems and even inside individual institutions

### Student to output asset or liability

Markets and competition also create economies of student worth in which students are deemed to be desirable, or not, on the basis of whether they are perceived to be an asset or liability in relation to the performance benchmarks to which institutions must aspire.

In such local economies of student worth

those students who are seen as having high levels of academic 'ability' and as being easy to manage and teach are highly valued and sought after by institutions. Conversely, those students who are perceived as being of lower academic 'ability', or have special needs, or are perceived as presenting behavioural challenges, or who are recent immigrants with additional language needs are avoided. Where these judgements influence access, they are one aspect of social segregation between institutions and the homogenisation of student populations inside them.

Where institutions continue to be relatively mixed, the judgement of the value of students in terms of performance indicators continues to influence practices. Institutions sort, select and unevenly allocate resources to students in attempts to maximise overall performance. This has been described as 'educational triage' where the safe, the treatable and the hopeless are differentiated and unevenly treated (see Gillborn and Youdell 2000).

These processes, driven by the demands of the education market, mark a shift from all students being perceived as learners to a narrow conception of the student and learner defined in terms of external performance indicators.

### Educational inequalities

One of the most frequent findings from studies of marketised education systems is that institutions that are most successful in terms of published market information (test scores etc) have skewed or unrepresentative student populations. As these assessments of which students will serve the institution best in the marketplace are inflected by assumptions about the intersections of class, race, ethnicity and gender with 'ability', these selection processes can also lead to segregation and homogenisation of populations.

As some institutions secure a desired student population and strong position in the market, others become residualised, with an under-supply of students, and an over-representation of those who have been rejected by or selected out of the higher status, higher performing schools, colleges or universities. These circumstances lock such institutions into cycles of poor performance and student and educator attrition.

Markets and the demand for institutions to compete against each other have, in many contexts, seen increased outputs at the performance indicator benchmark. But these patterns of overall improvement have masked growing gaps between the most advantaged socio-economic groups and the least advantaged groups as well as between ethnic majorities and particular minority ethnic groups.

### Transformation of education from a public good to a private commodity

Policy accounts of education matched to the needs of employment and the economy — a human capital approach — argue that this benefits society as a whole by creating a strong economy as well as individual wealth, but it is difficult to see this in practice.

These approaches make education a 'commodity' owned by and benefiting the individual rather than a public good that benefits the society as a whole. This conceptual shift changes fundamentally what it means for a society to educate its citizens.

### Conclusion

These are not just technical changes in the way in which education is delivered. Privatisation tendencies provide a new language, a new set of values, incentives and disciplines and a new set of roles, positions and identities within which what it means to be a teacher, student/learner, or parent, are all changed.

Privatisation in its multiple forms is being taken up globally. Certain forms of privatisation, such as choice and per-capita funding, have paved the way for further privatisation tendencies such as the use of published performance indicators; the use of for-profit organisations is playing a greater and greater part in education design and delivery; 'entry' into privatisation is now taking endogenous and exogenous forms; and much privatisation in and of education remains hidden.

And in many contexts privatisation in and of education are already entrenched and the 'good sense' of the market is so widely accepted that moves to privatise sections of public education are openly argued by policy makers and often achieve widespread support.

In this context, education unions have a profoundly important role to play in identifying these tendencies and informing the profession and the public about their effects. I hope our work is able to contribute to these efforts. ❖

\* For an in-depth discussion of these practices see the preliminary report **Hidden Privatisation in Public Education**.

For the full text of Dr Deborah Youdell's address go to [www.aeufederal.org.au](http://www.aeufederal.org.au) and follow the link to 2008 AEU Annual Federal Conference.

To download the preliminary report Hidden Privatisation in Public Education go to [www.ei-ie.org/researchcentre/en/studies.htm](http://www.ei-ie.org/researchcentre/en/studies.htm)

*Dr Deborah Youdell is Senior Lecturer in Sociology of Education at the Institute of Education, University of London*

