Equity, Privatization, and the Right to Education

Webinar 1: Introduction to Privatization of Education:
Forms & Diffusion



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Webinar Series
organized by
UNESCO's
International
Institute for
Education Planning
(IIEP)

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Why this Webinar Series?

- Varying levels of awareness and understanding of education privatization and the right to education globally
- Need for information distilled into *hopefully* comprehensible materials (including the new primer accompanying this series)
- 3) Hour-long webinars allow for manageable amounts of information on specific topics



Webinar Series Trajectory

Webinar 1: Introduction to the privatization of education: forms and diffusion

Webinar 2 (24 February): Comparing approaches: lessons from different education systems

Special guest Dr. Antoni Verger

Webinar 3 (3 March): Moving forward: delivering on education as a human right

Special guest Ashina Mtsumi

Webinar 4 (10 March): Final discussion and key conclusions Special guest Camilla Croso



Privatization "in" and "of" education

Endogenous – Privatization "in" education

importing of ideas, techniques and practices from the private sector in order to make the public sector more like businesses and more business-like.

Exogenous – Privatization "of" education

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.



Webinar 1 Overview: Piecing Together Education Privatization

- 1) Definitions and components of education privatization
- National education decisionmaking
- 3) Five pathways of education privatization
- 4) Three country examples
- 5) Displaying global diffusion





Different Ways of Defining Education Privatization

- 1) Provision and funding the "transfer of activities, assets and responsibilities from government/public institutions and organizations to private individuals and agencies" (Belfield and Levin, 2002, p. 19)
- 2) Management the "transfer of public-sector responsibility to privately owned or operated organizations or companies, for example non-governmentally run schools such as private or charter schools" (Adamson & Astrand, 2016, p. 8)
- 3) Property ownership "privatization is the act of reducing the role of government or increasing the role of the private sector in an activity or the ownership of assets" (World Bank, 2001)



Combining Definitions of Education Privatization

Shifting of State responsibility for the management and provision of equitable, high-quality education to the Non-State (private) sector, including for funding and/or ownership, thereby relegating government to a subsidiary role of allocating funds and monitoring outcomes.



Applying the Definition: Identifying Private and Public Institutions at the Individual Level

Funding
Do families or
governments
fund?

Traditionally public schools: all 3 categories public

Education privatization: mix of public and private categories

Traditionally private schools: all 3 categories private

Management
Who oversees
content and
delivery?

Ownership
Who owns the
physical
capital?

How did We Get Here?

1950's

1970's

1980's

1990's

Milton
Friedman first
posits public
schools as
monopoly
power,
denying
consumers
(parents)
choice in
education.



Augusto Pinochet enacts Milton Friedman's neoliberal experiment of privatizing education in **Chile.**





Thatcher (U.K.)
and Reagan (U.S.)
policy reforms
promote
marketization.
World Bank
lending policies
strongly
incentivize
privatization in
Global South.



Sweden switches rapidly from centralized social welfare state model to national marketization of education.

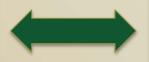


Key Elements of National Education Systems

Policy Drivers (privatization, etc.)



Economic Rationales (efficiency, choice, etc.)



Educational Mechanisms (LFPS, Charters, Vouchers, etc.)



Contemporary Examples

Pathways,
Mechanisms, &
Country-level
Saturation
of Education
Privatization

Adamson et al. 2016 & Verger et al. 2016

Pathways

Historic legacy of private schools with government regulation - Privatization scales up

Privatization substitutes for dearth of public provision and schools in low-income countries

Catastrophe eliminates public infrastructure and removes obstacles to Privatization

State ideological reform, including rhetoric of choice and disillusionment with public institutions, popularizes Privatization

Efforts to diversify and modernize education while controlling costs introduces Privatization to a market

Mechanisms

Some Private Schools (includes low-fee)

Private providers operate alongside, or in place of, public system

> Ownership Private Management Private Funding Private

Charter Schools, Academies & PPPs

Private "charters" to operate publicly funded schools

Ownership Public & Private Management Public & Private Funding Public

Neo-Voucher

Gov. uses tax code to subsidize investment in private education

Ownership Private
Management Public & Private
Funding Private & Public
matching

Vouchers

Gov. funds subsidies to families for private education

Ownership Private Management Public & Private Funding Public

Saturation

Primarily Public Systems

Ownership Public Management Public Funding Public Cuba

Finland

Belgium, Spain & the Netherlands

Parts of India and Sub-Saharan Africa

United Kingdom, U.S. in Wash. D.C., A.Z., & C.A.

New Orleans, Post-2005

U.S. & Canada, qualifying families

> Sweden, Post-2000

Chile, Post-1980

Primarily Privatized Systems

Ownership Private Management Private; PPP Funding Public

India: Underinvestment in Public Education Leads to Dearth of Public Schools

Policy Drivers

Lack of Public Infrastructure



"Low Fee" Private (and often forprofit) schools concentrated in rural & urban-poor areas.

Economic Rationales Educational Mechanisms

Resource Scarcity/
Efficiency

LFPS, Vouchers, & Subsidized Private Schools

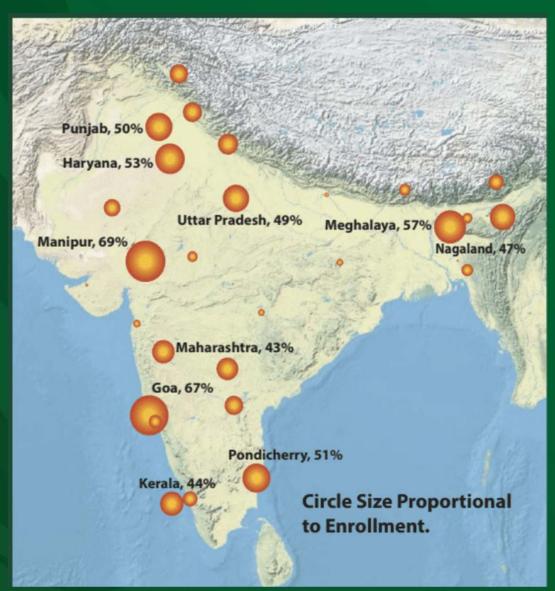
School quality is highly contested & inconclusive (Ashley et al. 2014; Srivastava 2016).



India: Dearth of Public Provision and Higher Proportion of Private Schools

K-12 provincial enrollment by percent enrolled in private schools (Pictured right)

Where private school saturation exceeds 10%, province is labeled on map.



Back

New Orleans: Catastrophe Eliminates Public Infrastructure, Resulting in Wholesale Privatization via Charter Schools

Policy Drivers Privatization Educational Economic Mechanisms Rationales Choice Charters

2003 – Louisiana "Recovery School District" established; authorized transformation of low performing public schools to charters.

2005 – Hurricane Katrina severely cripples infrastructure and local economy.

2005 – First NOLA "failing" schools charterized; over 7,000 teachers fired without due process

2012 – Student expulsion rules change

2015 – Remaining NOLA public schools charterized



New Orleans: Largest U.S. Example of Education Privatization Targeted at BIPOC and Urban Communities

United States K-12 Districts with Charter School Enrollment (as a percent of total K-12 enrollment) Greater than 10%. Flint, MI 55% Detroit, Gary Grand Rapids, MI 30 Kansas City, (Chicago Newark, N.J. 31% MO 43% Dayton, OH 33% IL 43% Camden, N.J. 38% Natomas (Sacramento), CA 33% Cleveland, Philadelphia, PA 32% Indianapolis, Oakland, CA 30% MO 43% St. Louis. Wash, D. C., 46% Franklin-McKinley (San MO 32% Jose), CA 30% Queens Creek (Phoenix), AZ 48% Roosevelt El. (Phoenix), AZ 33% New Orleans, LA 93% Inglewood (Los Angelos), CA 30% Data year: 2017 Back

Chile: Coup d'état Followed by Adoption of Neoliberal Ideology

Policy Drivers

Ideological Reform & Privatization

Economic Rationales

Educational Mechanisms

Vouchers

Education Reforms:

- 1. Voucher funding for K-12.
- Incentivized structure increases to private school supply.
- Scaled autonomy and accountability through decentralization and mandatory high-stakes standardized testing.



Choice

Chile: Coup d'état and the Neoliberal Model



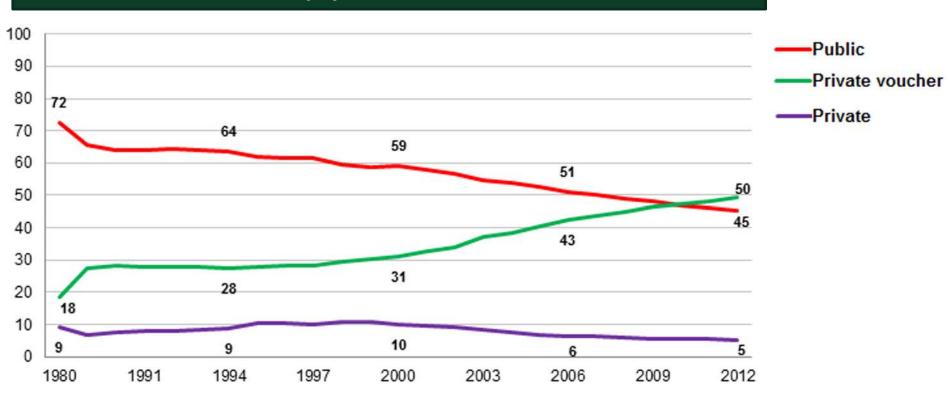
Changes possible due **violence** and **repression** towards opponents of the military regime.

1973 Military Coup

- Chilean conservatives and U.S.
 join to prevent left-wing parties
 from implementing socialist
 policies.
- 2. Friedman's **neoliberal policies** seen as solution to political development and economic structure of Chile.
- Results change Chile from a Welfare State to a Subsidiary State

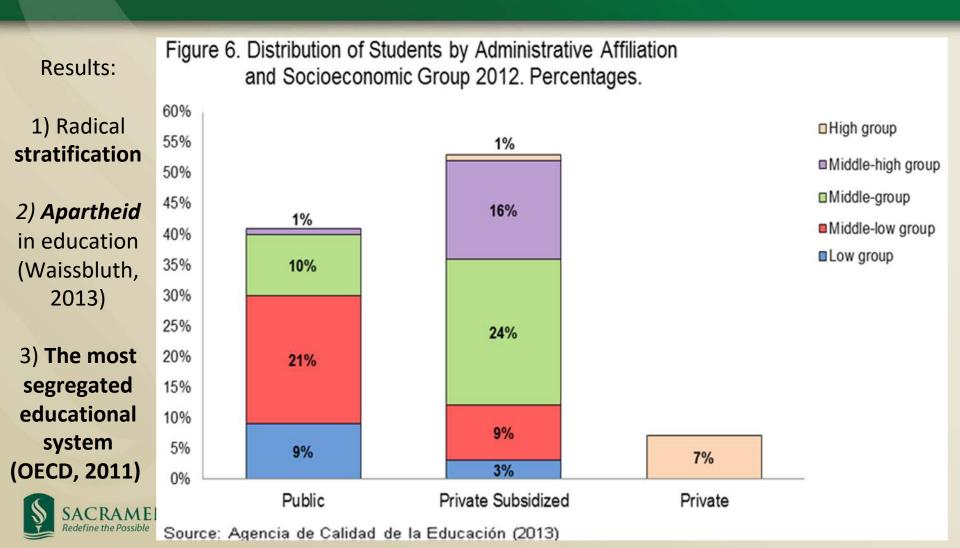
Chile's Growth in Private Voucher School Enrollment (1980-2012)

Private voucher schools (50%) overtake public schools (45%), due to **co-pay** and **student selection**.



Source: MINEDUC, Estadísticas de la Educación, 2013.

Chile's Student Distribution by School Type and Socioeconomic Quintile (2012)



Challenges in Tracking and Mapping Education Privatization

- Private providers of education not necessarily compelled to disclose the number of pupils served.
- 2) The OECD, World Bank, and UNESCO have not specifically tracked this emerging phenomenon by collecting data on the definitional categories of funding, management, ownership.
- 3) Private providers at times operate without State recognition or knowledge.



How Widespread is Education Privatization?

Remember our key definitional components:

- management, funding, and ownership

However, international data only available for aspects of:

management and funding

Country-level education privatization = Average of 1 & 2 below

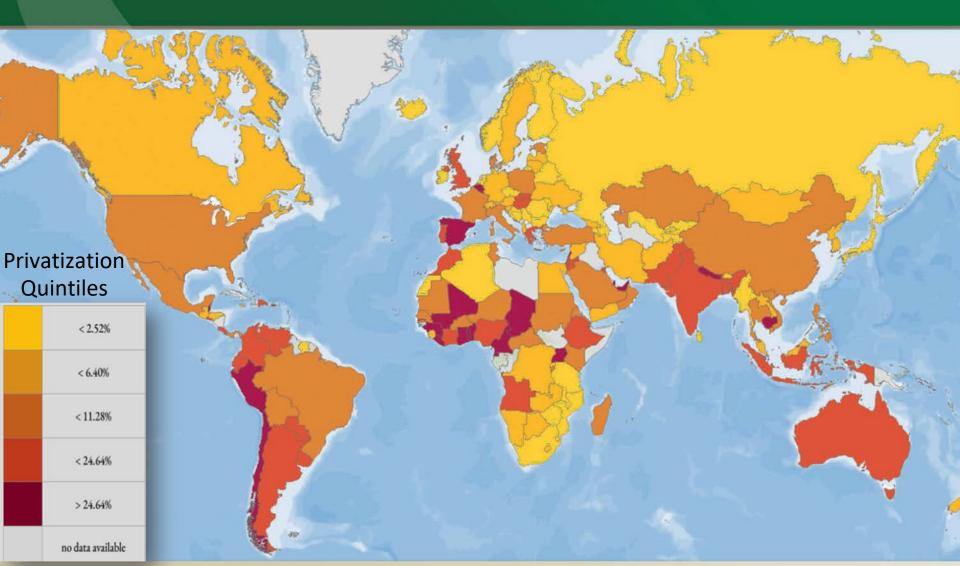
- 1) mean % enrollment in private (management) &
- 2) mean % private funding.

Percentages grouped by quartile. Calculations for ISCED Level 1 (primary students).

Data Sources: World Bank & UNESCO, calculations from most recently-available data reporting years. Data years range from 2011 – 2018.



Global Heat Map of the Spread of Education Privatization at ISCED 1 (using Funding & Management), by Quintile (global median 8.3%)



Thank you!

Next Webinar ... February 24th 2021

Comparing approaches: lessons from different education systems

In Webinar 2, we will examine evidence on different approaches to education, using the lens of education equity to evaluate them. Dr. Antoni Verger will join as a presenter.

