

The Privatisation of State Education

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Abstract: *This article analyses the privatisation of education. The causes and processes of the emergence of privatisation of education are explored in terms of both exogenous and endogenous educational policies. The benefits and disadvantages of privatisation of education are described separately, using the academisation of schools in the UK and shadow education in South Korea as case studies.*

Keywords: state education, privatization of education.

1. INTRODUCTION

The health, economic and social crises have increased the pressure on governments' education systems. Attempts by policy makers to reform education in order to provide quality education on a sustainable basis have increased (Viennet & Pont, 2017). But taking responsibility for providing quality education is a huge challenge, and some governments are inclined to transfer this responsibility to the private sector (Williamson & Hogan, 2020). The process of transferring responsibility is complex and uncertain, with large numbers of students losing their basic right to education if the private sector is unable to take full responsibility. Given its potentially wide-ranging implications, it is crucial to understand privatisation of education, to clarify its processes and forms, and to analyse its advantages and disadvantages.

This essay argues that there are different forms of privatisation of public education, which can have both positive and negative effects on society and individuals. Through desk based research, this essay will argue for the process and different forms of privatisation of education, critically examine its two-sided effects and analyse the relevance of different forms of privatisation of education. The essay will use the shadow education policy in South Korea and the policy relating to the academicisation of primary schools in the UK as case studies to argue the point and critically analyse them.

2. LITERATURE REVIEW

According to Marginson (2011), public education is a non-competitive and non-exclusive public good guaranteed by state regulation as an inexhaustible non-material resource for the public benefit of all. Public education is provided by the national government sector, and Bangay (2005) argues that private education is provided by the private sector as a manifestation of decentralisation. Decentralisation consists of four stages: deconcentration, delegation, devolution and finally privatisation. This leads Bangay (2005) to argue that privatisation of education is the transformation of education from a public to a private good. Specifically, according to Rizvi (2016), privatisation of education means the involvement of the private sector in the funding and management of education, both because of the cost of services that the government cannot meet public demand and because of an ideological commitment to a minimalist form of government. As Armstrong (1997) argues that privatisation includes five forms: Selling state assets, contracting out of service, Relocation of services and employment, Partnerships and Retailisation, and as Bangay (2005) points out that privatisation of education takes different forms at different levels and systems of education, this essay argues that there are different forms of privatisation of education.

Levin & Belfield (1999) argue that there are four forms of privatisation of education. The first form is home schooling, where children are educated without participating in any formal school institutions, and this form of privatisation involves minimal government intervention; the second form is private schooling, which is the most common form of privatisation, where private schools are founded by for-profit organisations, independent organisations or religious groups, and where the level of government involvement depends on the circumstances of each country; the third form is the charter school, which has both government and private elements and is funded by the government but has independent management; the fourth form is the public school, which is the least privatised form of education and where high quality public schools charge parents a school choice fee as a self-managed sum to improve the quality of the school (Levin & Belfield, 1999). All of these forms transfer ownership, management and control of education to individuals or independent organisations to increase the flexibility and autonomy of educational management. The main differences between these forms are the level of government regulation, the extent of management authority and the degree of privatisation (Levin & Belfield, 1999).

Ball & Youdell (2008) argue that there are two types of privatisation in education. Unlike Levin & Belfield's (1999) classification of privatisation according to degree, Ball & Youdell (2008) classify privatisation according to the reasons and motives for its occurrence. The first type is endogenous privatisation of education, which refers to privatisation processes that occur spontaneously within the education system and are generated by the government for the purpose of reforming or improving the quality of education (Ball & Youdell, 2008). For example, government-authorised agencies or independent organisations operate public schools, unlike traditional public schools, and these government-authorised schools have independent operating and management authority. Unregulated public schools would create a free competitive market, thereby improving the quality and

efficiency of education. The second type is exogenous privatisation of education. Exogenous privatisation introduces the private sector into the education market for profit and gives the private sector the authority to regulate education (Ball & Youdell, 2008). For example, public schools are run by completely independent organisations and do not rely on government funds. Both endogenous and exogenous privatisation of education can be used to describe the reasons why privatisation occurs. The difference is that endogenous privatisation is usually promoted through changes in educational thinking, technology and institutions, whereas exogenous privatisation is promoted through government policy. Ball & Youdell (2008) argue that these two forms of educational privatisation, although different in their initiatives, are not conflicting and are related, with exogenous educational privatisation usually being achieved by the previous endogenous form.

Ball & Youdell (2008) argue that the root cause of the privatisation of education is a change in ideology. The emergence of neoliberalism contributed to the privatisation of education. Connell (2010) defines neoliberalism as a social and economic theory that advocates market liberalisation, which advocates freedom of markets and trade through reduced government intervention to enhance economic development. Neoliberalism has been applied and practised globally. According to Davies & Bansel (2007), under the influence of neoliberalism, education is seen as a profitable and tradable commodity used to improve the quality of human capital and labour. Specifically, neoliberalism has reshaped the relationship and status of government and the private sector, placing the economic development needs of the private sector at the centre of policy. The private sector's need for quality and quantity of human resources transformed education from a public service to a tradable commodity that entered the free market, leading to the emergence of privatisation of education.

Uwakwe et al. (2008) describe the positive and negative impacts of the implementation of privatisation of education. For governments, the realisation of privatisation of education can reduce the risks and uncertainties associated with policy changes and decisions. Risks such as unfamiliarity with the market and biases in policy formulation can make education policies fail to meet the needs of the national education market, leading to inefficient and low-quality education systems, and even denying citizens full access to education. The private sector has a better understanding and familiarity with the education market, and the introduction of privatisation policies can improve the quality of education by making it more responsive to market demand. However, there are risks associated with privatisation. Ball (2008) argues that a ratchet effect can occur in the process of global policy development and implementation. When privatisation is pursued, the private sector and organisations can form powerful coalitions of interests that can prevent the withdrawal and modification of policies, diverting them from their original objectives. For students and families, the impact of privatisation is relatively positive. In a free education market, schools train their teachers, improve the teaching environment and enhance the quality of the teaching curriculum in order to attract students (Uwakwe et al., 2008). At the same time, a free market also means that students and parents have increased choice and they gain more educational self-determination. However, there is an additional fee for participating in privatised education, and as the prices are set by the private sector and not regulated by the government, the interests of consumers are not protected. The financial burden on students and families will increase. For teachers, the impact of privatisation in education has been negative. According to Davies & Bansel (2007), schools run by private enterprises place profit as the primary goal, but for teachers the benefits for students are preferred as the primary goal. The conflict between teacher ideals and neoliberal discourses can cause teachers to feel disparity and distress. For society, the promotion of privatisation policies in education has reduced the inequality in the distribution of educational resources. According to Uwakwe et al. (2008), lack of government funding has led to insufficient investment in education, leaving a large number of citizens without access to basic education. The private sector, introduced by privatisation policies, has increased investment in education in the education market, expanding access and contributing significantly to the achievement of education for all. However, globally and in the long term, privatisation of education brings with it inequalities in the distribution of educational resources. The global application of meritocracy forces people to invest more in education and to increase their competitiveness in the global talent market by increasing access to private education, which results in high returns. While privatisation of education can improve the quality of human capital, the high level of investment required for people to improve their own quality means that students from average families cannot afford to invest in education, resulting in their own lack of competitiveness and further generating greater educational inequality (Brown & Tannock, 2009). Thus, there are two sides to the applied privatisation of education; it can increase student self-determination and choice, the quality of teaching and learning in schools, market demand and improve educational inequality in the short term. However, it can have a negative effect on teacher satisfaction and family financial burden, and in the long term can increase inequality in the distribution of educational resources and create a policy ratchet effect.

3. CASE STUDIES

The first case is shadow education in South Korea, defined by Lee et al. (2010) as an exogenous privatisation of education as a fee-based, out-of-school programme designed to make students more competitive for important examinations in the public education system. The South Korean government saw the expansion of shadow education as a manifestation of the vicious competition in education, which had a negative impact on the public education system, and therefore continuously promoted education policies to curb its expansion from 1968 to the present. primary education became compulsory in South Korea in 1950, but the lack of educational resources resulted in a lack of secondary school places to meet the actual demand. The pressure and difficulty of moving on to secondary school led to a large number of Korean students attending shadow education. The Ministry of Education (MOE) introduced the secondary school exemption policy in 1968 to regulate primary education, reduce the quality gap in secondary schools and reduce the stress and financial burden associated with participation in shadow education (MOE, 1998). However, Lee et al (2010) argued that the policy only delayed the emergence of stress, i.e. the pressure to advance to secondary

school to the pressure to advance to high school. Korean students had to attend shadow education during their secondary school years to make themselves more competitive in high school entrance examinations. The Ministry of Education introduced the High School Equalisation Policy in 1973, which used a random allocation system in lieu of entrance exams. Both of these education policies decreased the degree of privatisation in the short term, as the pressure to progress to university remained. There was a widespread perception that you could not go to university without taking a shadow education. In order to improve the root causes of privatisation, the Korean government introduced the 7.30 education reform in 1980, which improved the university entrance examination model by introducing a new high-stakes test and high school records, reduced competitive pressures by increasing the number of places on the entrance examination, and reduced the cost of accepting privatisation by establishing an educational broadcasting system (Byun, 2010). This measure has largely influenced the development of subsequent Ministry of Education initiatives and has been refined by the Ministry as a basis for reducing privatisation in education. From 1980 to the present, the low quality of public education has been identified as the root cause of the emergence of shadow education, so the Korean government has continued to improve the public education system by introducing low-cost and diverse after-school remedial programmes while reforming the university entrance examination and higher education system (Lee et al., 2010).

The second case is the academisation of primary schools in the UK. The UK government plans to convert all UK primary schools into academies, which are publicly funded self-governing schools with greater local governance and funding management (Keddie, 2016). The 2010 Academies Act is a school reform policy that aims to accelerate the expansion of academies so that more primary schools become academies (DfES, 2013). The policy was introduced by the government to transform state schools into private sector run schools, so it is an exogenous education privatisation policy. This policy has allowed academies to develop their own curriculum plans, select teaching materials, choose teachers and develop school management policies, thereby improving the quality of teaching and the attractiveness of the school. However, this policy is also controversial, with Eyles et al. (2017) arguing that despite the increase in academy income and expenditure, academies are focusing more on investing in operational management aspects rather than teacher and student interests. This can lead to the existence of uncertainty about the standard of education and the quality of teachers. Furthermore, the shift from public schools to academies has not improved student outcomes.

Both cases are embodiments of education privatisation policies, but there are differences between these policies due to the different national contexts and ideologies of the two countries. Firstly, ideological differences lead to different policy aims. The Korean government is committed to introducing policies to reduce the privatisation of education in order to increase social equality, as it promotes the educational philosophy of Confucius (Deuchler, 1992). Equal access to education for all is the dominant ideology in Korea, so the government opposes the privatisation of education and curbs the expansion of shadow education. The British government, influenced by neoliberalism, believed that a free market would enhance the competitiveness of schools and the quality of teaching and learning, thus promoting a policy of academy transformation. Secondly, the content of the policies differed. The Korean government first abolished entrance examinations and improved the higher education system, and then reduced student demand for shadow education by reforming the curriculum and improving the quality of teaching and learning. Shadow education, as exogenous privatisation of education, undermines the equity of the public education system, but students' demand for and reliance on it makes a complete ban impossible (Byun & Baker, 2015). The government therefore uses endogenous privatisation policies to reform and thus reduce exogenous privatisation of education. Unlike the Korean government, the UK government took the initiative to introduce exogenous education privatisation policies to encourage the conversion of primary schools into academies and their operation by the private sector. Despite the differences in policy content and purpose, there are similarities in that the development of these policies reflects a degree of support and endorsement of privatisation by policy makers. An entirely government-led education can lead to biased policy making, limited investment in education and a lack of awareness of capacity enhancement. In Korea, where the government used endogenous privatisation policies to reform the curriculum, the quality of teaching and learning improved; in the UK, where the government transformed primary schools into academies, competitive pressures led the academies to initiate self-improvement to improve their attractiveness. The second similarity is that these policies share the view that education cannot be completely privatised and that the education market cannot be left unregulated. Given the uncertainty of the real benefits of privatising education for teachers and students, and the high investment in the operation of uncontrollable academies, the UK government had to withdraw from a policy that would have forced all schools in England to become academies by the end of 2022. Stakeholder educational institutions strongly opposed this move due to the policy ratchet effect (Eyles et al., 2017). In South Korea, shadow education has increased the financial burden on students and families, widened educational inequality and caused social unrest (Byun & Baker, 2015). The government therefore uses endogenous privatisation policies to keep privatisation within a range that is manageable by the government.

4. CONCLUSION

The two cases above exemplify the application of endogenous and exogenous educational policies respectively. The content and aims of the policies in the cases differ depending on the ideology and social system. However, in their application, the analysis found that the positive effects of privatisation were recognised, including the ability to improve the quality of education, increase autonomy and self-determination, and reduce government pressure. It is also acknowledged that there are negative effects, including harming teachers and students and undermining equality in education. Policy makers are therefore committed to introducing and regulating a degree of privatisation in order to improve the quality and efficiency of education.

In summary, these two cases illustrate the point of this essay: privatisation of education can take different forms. It can be categorised by the degree of privatisation into home schools, private schools, charter schools and public schools. It can also be

categorised by the causes and motivations as exogenous and endogenous privatisation of education. In the process of transforming education from a public service into a private good, the process has two effects on teachers, schools, students and society. In the short term it will improve the unequal distribution of educational resources, reduce government pressure and increase selectivity, but in the long term it will widen educational inequalities. At the same time, there is uncertainty about the quality of education and the interests of teachers and students. In the future, when governments develop privatisation policies to expand or control the privatisation of education, they can use historical policies as a reference and consider both sides of the application of privatisation to develop a detailed long-term policy framework.

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