
The Privatisation of Education

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ABSTRACT This article looks at one of the dominant themes of English education over the past twenty years. It examines the various ways in which privatisation has affected schools and schooling since the early 1980s. It may no longer be possible to indulge in a blanket defence of the public sector; but we do at least have to recognise that privatisation in general and the spread of Academies in particular pose a very real threat to the values and principles underpinning 'a national system, locally administered'.

Introduction

When she puts pen to paper for her regular column in *Education Guardian*, former Education Secretary Estelle Morris normally gets things terribly wrong. And this was certainly true of her article on the privatisation of education published on 28 October 2008. Although the piece was headed 'Be wary of market forces in education', Ms Morris spent most of her time extolling the 'benefits' of 'market forces'. In her view: 'there is no doubt that breaking down the lack of transparency and the inward-looking culture that used to be the hallmark of the public sector has brought great benefit'. She went on: 'we offer our children a better deal because we've shifted away from the state paternalism of the old system'. It is worth remembering that Ms Morris decided to give up being Education Secretary in October 2002 because she knew that she was too weak to do the job effectively and seemed to be losing all her battles with Andrew (now Lord) Adonis. Now she seems to have become a great admirer of Academies, Adonis's pet project, which were actually intended to be schools that embedded market principles: independence from the state; liberation from the customs and practices of neighbouring schools; and unprecedented freedoms for both sponsors and headteachers. In her view: 'their undoubted success ... derives from their ability to recruit outstanding school leaders and teachers and from the quality of the relationships they make with their sponsors and other partners'. Ms Morris might not believe that competition should be allowed to

run 'unchecked'; but she seems to endorse all the education policies that have encouraged this to happen.

It is, of course, true that much of education policy over the past two decades has been concerned with developing a public sector version of 'the market'. For neo-liberal apologists, this has meant harnessing the 'innovation' and 'flexibility' of the private sector. For those of us who see things very differently, it has meant the commercialisation of schools and the loss of any sense of public accountability.

Privatisation in the 1980s

Back in the 1980s, campaigners such as Caroline Benn and Richard Pring were predicting many of the problems which would arise from policies designed to privatise large parts of the education service. In all its many forms, the privatisation of education could be described then as the systematic erosion, and possibly even abandonment, of the commitment to a common educational service based on pupil needs, rather than upon private means, and accessible to all young people on the basis of equal opportunity. In a number of articles and papers (see, for example, 1983; 1986; 1987), Professor Pring argued that the privatisation of education was assuming two major forms: the purchasing at private expense of educational services which ought to be free within the public system; and the purchasing at public expense of educational services and experiences in private institutions. There was possibly a third category, which was privatisation in the sense of impoverishing the maintained sector to such a degree that anxious parents with adequate means felt under an obligation to select some form of private education for their children. And all this was happening in the 1980s against a background of sustained criticism of standards in the state system and as part of the process of subjecting the education service to all the harsh market pressures associated with any commercial or industrial enterprise. State schools were desperately trying to improve their image at a time when Margaret Thatcher's Government was providing strong ideological and financial support for private schooling and encouraging the process of 'exit' from state institutions.

The first of Richard Pring's categories included the various and often devious ways in which parents and private firms were being asked to pay for both essential and non-essential services within the maintained sector: special lessons or additions to the curriculum, books and resources, repairs and maintenance, basic facilities and buildings, even teaching posts (see Pring, 1987, p. 292). It might be reasonable to expect parents to make a contribution to the cost of various extra-curricular activities – for example: visits to a concert or a play and school trips abroad. But Professor Pring found that in many instances, parents were being asked not simply to enrich the curriculum for a few but actually to help ensure basic curriculum provision for all. The National Confederation of Parent Teacher Associations (NCPTA) estimated that, by the middle of the 1980s, £40m a year was being required of parents for what could

be considered as essentials: books and equipment and lessons (Mountfield, 1991, p. 45). And successive HMI reports in the 1980s emphasised the need for parents to contribute large sums of money in order to compensate for a growing shortage of books and other essential items. Education Secretary Keith Joseph (1981-86) came in for much criticism from political opponents on account of his stubborn refusal to demand more money for education from the Treasury at a time when the gap between rich and poor schools was widening largely because of differing parental contributions. It was obvious that schools in affluent middle-class areas were in a better position to compensate for government economies and cuts.

The clearest example of Richard Pring's second category was the Assisted Places Scheme, one of the measures introduced by Margaret Thatcher's first Education Secretary Mark Carlisle (1979-81). Having been a major feature of the 1980 Education Act, the Scheme was launched in 1981 and was all about providing central government money to enable a privileged group of 'financially eligible' and 'academically able' pupils to enjoy the 'benefits' of a private education. It was described by the Labour Peer Lord Alexander during a debate in the House of Lords in September 1982 as 'an offensive public declaration by a government that the national system of education is incapable of providing for our most able children' (reported in *The Times Educational Supplement*, 19 September 1982). The original idea was that the government grants would enable 'gifted' youngsters from impoverished working-class homes to climb 'the ladder of opportunity' and thereby 'escape' from their humble origins. The Scheme could therefore be seen as a variation of the old scholarship ladder where, as John Vaizey once put it (Vaizey, 1966, p. 115), 'the aim was to identify the one clever child in a big group and rescue it'. In the event, as research soon showed, the Scheme did not benefit significant numbers of children from poor or deprived areas of the country. The new subsidised pupils differed little in social and economic background from full fee-paying public school entrants; and 'low-income' certainly did not equate with 'working-class'. At the same time, the Government certainly worked hard to make the Scheme a success. In September 1981 4,185 of the 5,417 places available in 223 English independent schools were taken up by the parents who had applied to take advantage of the Scheme. And by the end of the 1980s, when the Scheme was almost fully in operation, 26,899 children were holding 'assisted places' at a cost to the Government in 1987-88 of just under £50 million (Edwards et al, 1989, p. 2).

In a much-quoted paper published in *FORUM* in the Summer of 1990, Caroline Benn reviewed the various ways in which both central government and local authorities were busily engaged in promoting the private at the expense of the public sector and estimated the cost to the taxpayer of providing separate and supposedly superior educational opportunities for a small minority of young people. For this purpose, she took into account not just the Assisted Places Scheme of recent origin, but also a number of long-established practices such as the purchase by the state of places at private day or boarding schools for

the children of high-ranking civil servants and military personnel serving overseas. As far as she could discover – and many obstacles were placed in the way of her research – the cost to the taxpayer in 1990 was £1.3bn (Benn, 1990, p. 68). And Caroline Benn's figure would, of course, be much higher today, since the Government is continuing to subsidise private education in all sorts of imaginative ways.

The Private Finance Initiative

In the last number of *FORUM* (Volume 50, Number 3, 2008), education journalist Peter Wilby pointed out that in the course of the 1990s, private capital recognised that, as many markets for traditional consumer goods were reaching saturation point, the expanding markets of the future would be in services such as education and health. It had expected the Conservatives to introduce tax rebates for parents who opted for the private sector or to issue vouchers that could be used as payments for the whole or part of the cost of a child's education in independent schools; but these things did not materialise. Now New Labour under Tony Blair promised a better way forward. 'Instead of competing for custom in the rough and tumble of the private market, firms might get the chance to run public services in return for a more or less guaranteed stream of income from the state' (Wilby, 2008, p. 351).

The most obvious example of how private capital could make such a low-risk investment was the Private Finance Initiative – in many ways the most radical and far-reaching of the privatisation schemes of the last 20 years, involving the use of private sector funding and ownership to provide new buildings and facilitate major refurbishments right across the public sector. Put simply, under a PFI scheme, a public authority such as a local authority or health trust would buy the services of a private company or group of private companies (a consortium) to design, build, finance and operate a public facility, such as a school or hospital. Private consortia would normally consist of building firms, finance companies and service providers. A PFI contract, involving buildings and facilities management, was normally designed to last for between 25 and 35 years, during which time the private sector company or companies would be handsomely reimbursed by the relevant public agency (normally a local authority or health trust). In the case of a school, the company or consortium responsible for the construction of the new building would invariably take over the maintenance and management of the premises; and this would involve responsibility for many lucrative and important aspects of day-to-day management, such as: catering, cleaning, repairs to equipment and grounds maintenance.

The UK Private Finance Initiative was launched by the Conservative Government of John Major in late 1992. It was expanded by New Labour after Tony Blair came to power in 1997, although the PFI policy was never discussed openly during the 1997 general election campaign. The first two schools to be financed by PFI contracts were opened in 1999; and the new

government building programme (Building Schools for the Future) was expected to make use of PFI funding.

It was initially argued that PFI schemes would provide both 'value for money' and more efficient services. Yet at a conference in 2000, the Finance Directors of Birmingham and Glasgow Local Authorities, both major users of PFI, cast doubts on the 'value-for-money' claims being made for the new schemes, while at the same time conceding that there really was no viable alternative source of income. George Black, the Finance Director for Glasgow, said: 'I'm not sure it is value for money. But it's the only game in town. It's the way you get money back into your services' (quoted in Ball, 2007, p. 47).

A recent Campaign for State Education Briefing Paper pointed out that there was clear evidence that, in the long term, the cost of capital raised through a PFI scheme would be higher than the cost of a loan raised by the issue of a public sector bond or low cost public sector government loan. In 2007, the Public Accounts Committee (PAC) reported that reduction in the number of companies tendering for PFI contracts meant that there were sometimes only two companies at the short listing stage which obviously reduced the competitiveness of the whole process (CASE, 2008, p. 2).

New Labour would never allow practical or financial considerations to get in the way of its ideological obsessions. By late 2004, there were 86 PFI school projects in England worth £2.4 billion involving over 500 schools, 15 in Scotland worth £553 million and two in Wales (Ball, 2007, p. 46). Academies, however, have so far opted to stay clear of PFI funding, preferring to retain total control over the building and management of their schools.

Privatisation under John Major

When Caroline Benn and I carried out our large-scale survey of 1560 comprehensive schools and colleges in Britain in the academic year 1993-94 (see Benn and Chitty, 1996;1997), we found considerable evidence of a dearth of resources and of a mounting dependency on donations from wealthy parents and from local and national businesses. In their detailed replies to our 1993 Questionnaire, hundreds of schools admitted that they depended upon the money raised by parents for a wide range of curricular and extra-curricular activities. In explaining what the parental contributions were used to provide, headteachers revealed that top of the list was provision and/or maintenance of the school minibus (as many as 350 schools); followed by purchase of PE and sports equipment; contributions towards the cost of school trips both in this country and abroad; support for the Library Fund, along with provision of essential school textbooks; purchase of computer software; contributions towards the costs of buildings and maintenance and repairs; and, lastly, purchase of AVA (audiovisual aids) equipment (Benn & Chitty, 1996; 1997, p. 317).

It was clear that companies that donated large sums of money to schools invariably expected to receive good publicity in return and sometimes a chance, indirectly, to promote the future of private industry – or just their own

particular niche. All their generosity was accepted by schools as essentially 'non-political'. Yet the message being conveyed was not always strictly neutral. For example: several schools referred to one supermarket giant's donated study-pack 'Siting a Supermarket'. It clearly embodied a political argument, and yet very few schools realised that it needed a counterbalancing study-pack (or series of lessons) putting the case that could be made against green-field developments for supermarkets and perhaps even championing the cause of traditional high street shops that would be adversely affected by new (out of town) developments. Support from outside donors could never be truly 'value-free'; and yet many schools seemed to be blissfully unaware of the ethical problems that could arise in a number of cases: for example, where teachers might wish to question offers from firms in the forefront of world controversy (with weapons connections, image problems relating to unacceptable working practices, or with connections to the meat or animal trade), but would feel constrained in making protests on account of the school's financial need. Many schools conceded that they were delighted to receive outside money, even where it meant parents having to shop in a particular store (Benn & Chitty, 1996; 1997, p. 320).

A report published by the National Consumer Council in May 1996, which became the subject of a detailed story in *The Independent* (24 May 1996), warned teachers about 'a rising tide of US-style commercialism in British classrooms', as businesses took advantage of 'a squeeze on school funding' to target vulnerable pupils with educational resource packs which were either 'biased' or 'plastered with company logos'. According to the NCC, there had been a marked increase in the volume of commercially-sponsored resources for schools since 1990 – around 5,000 items for technology alone – with industry spending around £300m a year on sponsorship aimed at primary and secondary schools. The Report emphasised the need for new guidelines for teachers, governors and parents enabling them to recognise and accept 'high-quality sponsored material' and, at the same time, reject the superficially attractive literature which might 'encourage unhealthy habits, play on children's fears or cause parents to be pestered to buy the sponsor's products'. It was clear that some firms were distributing sponsored material to persuade pupils to eat unhealthy food; while others were simply failing to mention 'basic arguments against their activities'. Cadbury's World of Chocolate resource pack for 11-to-12-year-olds boasted that: 'Chocolate is fun to eat at any time of the day and gives you the energy and important nutrients that your body needs to work properly'. Energy and the Environment from British Nuclear Fuels Ltd failed to mention one of the key drawbacks of nuclear waste: that it takes up to hundreds of thousands of years to decay and become safe. Voucher schemes for computers and schoolbags run by firms like Tesco's and Sainsbury's obviously 'rewarded those schools where the parents could be pestered to shop at particular supermarkets'. And at the same time, 'they disadvantaged those pupils who did not live near certain supermarkets'. In launching the NCC Report, the Council's chairperson, David Hatch, admitted that certain commercially-sponsored

teaching packs could be invaluable at a time when school funds were limited, but he argued for a debate on 'the creeping tide of commercialism in our classrooms' to ensure that commercial sponsorship did not take the place of state funding for core education activities. He pointed out that in parts of America, pupils were bombarded with advertisements throughout the day, sometimes on compulsory schools television programmes which carried blatant advertising. In his view: 'We want to protect British classrooms from these excesses. The classroom should be a place of learning, not a free-for-all for business interests' (Judd, 1996; Chitty, 1997, pp. 57-8). Of course, there is no evidence that anyone in authority has taken heed of such warnings. The heads and sponsors of Academies, in particular, are delighted to see their schools as places where business ethics and the rules of marketing reign supreme (see Beckett, 2007).

The Academies Programme

In the past twenty years, we have seen the inspection process privatised (with dire consequences for schools and social services departments); we have seen all (or nearly all) the functions of a number of local education authorities privatised (beginning with Islington in 1999); and we have seen schools taken over by private companies (beginning with King's Manor School in Guildford, also in 1999). But the most blatant example of the systematic privatisation of schooling is obviously the (City) Academies Programme, launched by Education Secretary David Blunkett in March 2000 and the subject of a special number of *FORUM* in the Spring of 2008 (Volume 50, Number 1).

The statutory basis for New Labour's Academies Project is the collection of legislative powers taken from the 1988 Education Reform Act (ERA) and originally designed to facilitate the establishment of a nationwide network of City Technology Colleges in the early 1990s. When the new Project was launched in March 2000, David Blunkett made it clear that it was to be seen as 'a radical approach' to breaking 'the cycle of underperformance and low expectations' in inner-city schools. He outlined his vision for the new Academies in a speech delivered to the Social Market Foundation on 15 March 2000:

These Academies, to replace seriously failing schools, will be built and managed by partnerships involving the Government, voluntary, church and business sponsors. They will offer a real challenge and improvements in pupil performance, for example through innovative approaches to management, governance, teaching and the curriculum, including a specialist focus in at least one curriculum area. ... The aim will be to raise standards by breaking the cycle of underperformance and low expectations. To be eligible for government support, the Academies will need to meet clear criteria. They will take over or replace schools which are either in special measures or are clearly underachieving.

(<http://www.dfes.gov.uk/speeches>; see also Rogers & Mignuolo, 2007, p. 7)

The Academies Programme involves the introduction of a whole new set of wealthy and controversial actors into education decision-making – entrepreneurs, corporations, charities and faith groups; and these new sponsors can exert a powerful influence over the schooling process. In the words of the 2005 White Paper *Higher Standards, Better Schools For All*, the new schools have ‘the freedom to shape their own destiny in the interest of parents and children’ (DfES, 2005, p. 24). As a new type of independent school, Academies are outside of local authority control and relate directly to the Academies Division of the Department of Children, Schools and Families. They are exempt from the specific requirements of the National Curriculum. They are also allowed to set aside existing national agreements on the pay, conditions and certification of teachers – thereby contributing to the ‘flexibilisation’ of the workforce. Summing up the role and significance of the Academies, Professor Stephen Ball has written: ‘In so many respects, they represent a real ‘break’ from the roles and structures and relationships of accountability of a state education system. They replace the democratic processes of local authority control over schools with technical or market solutions’ (Ball, 2007, p. 177). And the 2005 White Paper has proudly boasted that: ‘We have learnt from Academies that in areas of entrenched underperformance, the combination of real freedoms, fresh buildings, focused governance, external drive, technology and independence can bring fast results. ... Over the next few years, Academies will make an increasingly important contribution to the reformed and more flexible school system that we want to create’ (DfES, 2005, p. 24).

Despite the reservations of a number of teachers and Labour politicians, the Academies Project seems to be assured of government support, whatever the outcome of the next General Election, in that it has been given the endorsement of the Conservative Opposition. One of David Cameron’s most controversial moves as Conservative Party Leader has been to make it clear that Academies are the schools of the future while, at the same time, abandoning the Party’s long-standing commitment to establish new grammar schools in every town throughout the country. Addressing a conference of the CBI (Confederation of British Industry) in May 2007, the then Shadow Education Secretary David Willetts said that the Conservative Party would be happy to ‘adopt Tony Blair’s Academies’ and would ‘run them better than any minister under Gordon Brown’ (reported in *The Guardian*, 17 May 2007).

Moreover, a recent government statement about ‘failing’ secondary schools has been widely seen as signifying a real boost to the Academies Programme. A front-page story in *The Observer* on 8 June 2008, headlined ‘Schools get ultimatum: improve or face closure’, predicted that ‘hundreds of the worst-performing schools in England – those where fewer than three out of ten pupils gained at least five A* to C GCSE grades, including English and maths – would soon be told that they faced closure within the next three years if they

failed to improve. When it came, two days later, on 10 June, the announcement by Secretary of State Ed Balls identified 638 out of 3,100 secondary schools in England as 'seriously underperforming' and offered the local authorities concerned the option either to 'provide intensive support' to these schools or to replace them with Academies or Trust Schools. In the words of the Secretary of State:

If local authorities do not take radical action, then in the end, we will have the powers ourselves to intervene. ... We don't want to see excuses about poor performance; what we do want to see are clear plans to raise standards in every school with a clear expectation that, if by 2011, there are still schools stuck below 30 per cent ... and there's not been a radical transformation at that point, our expectation will be that the school closes and then reopens as a National Challenge Trust School or as an Academy.
(reported in *The Guardian*, 10 June 2008)

Mr Balls predicted that about 200 of the 638 failing schools would not, in fact, improve fast enough and would have to be replaced by Academies; while there was funding to allow 70 schools to close and be reconstituted using the new Trust School model. This move clearly represented a further quickening of the pace of the Academies Programme since, with 83 Academies already open, the Government was now on target to have around 300 up and running by September 2010. It was also now clear that Ed Balls and Gordon Brown wanted to be seen as furthering Tony Blair's 'reform' agenda, with ambitious plans that were true to the spirit of the 2005 White Paper.

Conclusion

In a speech delivered in December 2003, Gordon Brown said: 'I want teachers in our schools who are able to communicate the virtues of entrepreneurship and wealth creation. And just as business tycoons have become the pop idols of the business world, I want our local business leaders to become role models for today's young' (quoted in Ball, 2007, p. 170). And speaking on the BBC Radio Four Today programme in July 2007, former Work and Pensions Secretary John Hutton argued that Tony Blair's greatest achievement was in ensuring that 'the marketisation of the public services is now built into the DNA of public service provision' (quoted in Chitty, 2007, p. 204).

So the Conservatives' neo-liberal, privatising agenda is safe in New Labour hands. And New Labour ministers perform mental somersaults in trying to prove that their agenda has any connection with the principles and priorities of the old Labour Party. Private sector participation in public sector education is clearly a crucial element in New Labour's modernising programme, and, as Stephen Ball has pointed out, this is not just a process of reform; it is 'a process of social transformation'.

Privatisation is not simply a technical change in the management of the delivery of educational services – it involves changes in the meaning and experience of education, what it means to be a teacher and a learner, and is also part of a broader social dislocation. It changes who we are and our relation to what we do, entering into all aspects of our everyday practices and thinking – into the ways that we think about ourselves and our relations to others, even our most intimate social relations. It is changing the framework of possibilities within which we act. This is not just a process of reform; it is a process of social transformation. Without some recognition of and attention within public debate to the insidious work that is being done, in these respects, by privatisation and commodification, we may find ourselves living and working in a world made up entirely of contingencies, within which the possibilities of authenticity and meaning in teaching, learning and research, as well as in other aspects of our social lives, are gradually but inexorably eroded. (Ball, 2007, pp. 186-87)

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