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The emerging global education industry: analysing market-making in education through market sociology

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ABSTRACT
This paper addresses the rise and consequences of an emerging global education industry (GEI), which represents new forms of private, for-profit involvement in education across the globe. The paper explores the emergence within the GEI of new and varied, largely transnational, markets in education by focusing on three examples of the GEI at work. The first example addresses the issue of Charter Schools, what they have come to represent, how they have been implemented, and, especially, the impact they have had on public schooling more broadly. While they have taken different forms in different places, they have succeeded in installing the idea of quasi-markets in education, which has been directly instrumental in opening up opportunities for private investment in education. The second example concerns the ways that the increasingly global standardisation of education policies, provision and practices, presents lucrative opportunities for investment and profit. The forms and consequences of such standardisation are described in the contrasting cases of Qatar, Mongolia and Indonesia. The third example concerns low-fee private schools in the Global South. Far from such schools being seen as local initiatives, the paper shows how they have become a major opportunity for profitable investment by international corporations.

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Introduction
The participation of private interests in education is hardly a new phenomenon, but the increasingly prominent role of profit-oriented private actors in a broader range of educational activities – and at a supra-national scale – is more recent. Currently, a wider range of educational services are produced, exchanged and consumed on a for-profit basis and through supra-national interactions. This phenomenon is evident with the increase of private schools and corporate universities, but also includes alternative forms of educational provision (such as e-learning), test preparation services, edu-marketing, students’ recruitment services, supplemental education services, certification services and teacher training, to name the most significant. All these services, the actors that provide them, and the systems of rules and norms through which these educational markets emerge and expand constitute what we call the global education industry (GEI) (Verger, Lubienski, and Steiner-Khamsi 2016).

GSV-Advisors (2015) calculates that the value of the education market, globally speaking, was $4.9 (USD) trillion in 2015, and that venture capital investment in education companies reached nearly $2 billion in 2014 (after growing at a 45% rate over the past five years). In addition, we are
seeing the rise of entire trade associations dedicated to optimising opportunities for investors looking to capitalise on the education sector. As with other industry sectors that are being globalised, education is increasingly populated by actors and firms motivated by profit (the so-called edu-businesses), interactions and operations happening at a global scale, competitive dynamics between edu-businesses (but also between edu-businesses and public providers), access to financial capital markets as a way to support the activities of the industry (and its territorial expansion), mergers and acquisitions between corporations, and so on.

The GEI represents the apparently inexorable growth of the market into many areas of life previously thought to be outside the purview of market forces and arrangements. Nonetheless, the emergence and constitution of the GEI phenomenon reflect also particular changes and trends in the education sector, which include the commodification of schooling as a positional good for families; the increasing influence of financial institutions in the educational sector (for both the demand and the supply sides, but also as a phenomenon that is associated with an increase in family debts in many places); recent changes in the governance of education through the penetration of managerial reforms and discourses; or the prominent role of information and communication technology for learning and testing (Verger, Lubienski, and Steiner-Khamsi 2016).

The GEI is a concept that contributes to visualise, to name and to condense a broad range of pro-market transformations that many education systems have recently experienced. The GEI signals a departure from earlier works on privatisation since it explicitly focuses on the transnational dimension of education marketisation and on the emergence of new global businesses specialising on education services and products. In this article, we take the discussion of the GEI one step further and examine the evolution and dynamics of this industry sector – that is, how the GEI phenomenon advances and manifests itself in different settings. In essence, we expect that, despite its common features and developments, the GEI is evolving in a variety of ways in different territories and in relation to different educational markets. The main objective of this paper is to present and apply an analytical framework that helps us to understand how, within the broader GEI phenomenon, distinct markets emerge and expand in education and how, to a great extent, this occurs beyond national boundaries.

In the paper, we first present a conceptual and theoretical framework to help us consider the GEI as a truly global phenomenon proliferating across a discernable education sector, but one that is constituted through different market-making trajectories. This framework, that is mainly grounded on market sociology theories, invites us to look at a range of dimensions that are articulated in the proliferation of the GEI, namely, networks, ideas and institutions. Next, we apply this framework to the analysis of the processes through which three educational markets have emerged and expanded in recent years, namely, charter schools, the competency-based education reform movement and low-fee private schools (LFPS). These three cases are very representative of the breadth that the GEI is currently acquiring, both in thematic and geographic terms. In the last section, we discuss our main results and present our final conclusions.

**Analysing market-making in education through sociological lenses**

The GEI is a constantly evolving social and economic field that is constituted by different, but interconnected, educational markets. Markets in general, and education markets in particular, cannot be treated as a given, but as a process that deserves particular attention. In fact, market-making processes in education constitute an object of study in its own right. According to Robertson and Komljenovic (2016, 211):

> Markets do not simply appear as a result of policymaker diktat or policy fiat. And nor do markets – once made – exist in a space which sits outside, or beyond, a society and its complex of institutions and practices. Rather, markets are both made and remade, as new products and services, frontiers and spaces, are imagined, invented, implemented, inventoried, vetted and vetoed.
Market sociology scholars consider that there are three main forces that, analytically speaking, are particularly relevant in structuring emerging markets, namely networks, cognitive frames and institutions (Fligstein and Dauter 2007; Beckert 2010). Networks are sets of relationships between political, social and/or economic actors, which work as channels of influence and, on many cases, as more or less formal governance mechanisms. Networks, as a form of governance, are increasingly populated by market actors in many sectors, including education (Burch 2009). Despite most networks operating in an informal way, the governance structures and circuits of information they generate have durability (Ball 2012). Cognitive frames refer here to the types of ideas that social, political and economic actors mobilise to advance their vision of societal problems and preferred solutions. Cognitive frames are increasingly important in a policy environment where research and evidence on ‘what works’ represents a more valuable weapon to justify and promote policy change (Lubienski, Scott, and DeBray 2014). Finally, institutions can be broadly defined as sets of rules, norms, policy frameworks and procedures in which actors develop their economic activity and their political strategies (Campbell 2004).

Networks, cognitive frames and institutions, due to their capacity of constituting any market sector, shape the conditions of competition in which business actors intervene, and are key elements to understanding the social and economic composition of the GEI field. Governments, but also private or non-state actors, can try to activate these social forces as a way to, for instance, shape regulatory frameworks for their political and/or economic interest (Lubienski, Scott, and DeBray 2014). Of course, the capacity of influence of these actors will depend on their economic, social and political capital, as well as on the positions they occupy in different social and economic fields (Bottero and Crossley, 2011). The role of networks, cognitive frames and institutions can be analysed separately, but, in real situations, exert their influence simultaneously. According to Beckert (2010, 611):

Network positions can be used to influence institutional rules and dominant cognitions; institutions can be a resource to force changes in networks and to influence mental maps; ideas that are influential in the field can be used to advocate changes in institutional rules and network composition.

Networks in particular seem to play an important role in the GEI literature, to a great extent due to their properties as sites of policy influence. Business actors and their representatives tend to be inserted in a range of policy networks, usually in a causal or informal way. It is worthwhile to bear in mind that this informality might result in a virtually invisible and inaccessible infrastructure, which is something that generates serious concerns among those researchers trying to analyse networks empirically (Olmedo 2016). Nonetheless, on many occasions, private players’ relationships crystallise in formal advocacy coalitions and pressure groups, or in the organisation of public seminars and events. Furthermore, many business actors, beyond exerting pressure informally or externally, are increasingly being included as legitimate participants in national and global governance structures, such as the Global Partnership for Education, to give an example (Menashy 2016).

The framework presented here invites us to think about the GEI as a dynamic and constantly changing field that is expanding and globalising through different macro-, meso- and micro-processes. However, the globalisation of the education industry does not mean that this industry sector can be isolated from its closer social and institutional context. On the contrary, the configuration of the social forces that make up the education industry and its multiple markets varies according to mediating institutions such as the welfare regime, the governmental administrative tradition and capacity to provide education, or the political culture (i.e., more or less open to private interests) that prevail in particular contexts. Hence, the configuration, dynamism and implications of the GEI field, and the multiple educational markets that configure it, will vary in different places.

The three cases selected for this enable us to discuss the interacting social forces that shape market-making processes in education. The first case shows how a network composed of state actors, for-profit businesses and not-for-profit organisations has paved the path for advancing charter school legislation in most American states. The second case, on competency-based school reform, demonstrates how standardisation of school curricula reflects a business or market logic that enables
operating on an economy of scale, indispensable for businesses that only enter a sector if profit may be made. The last case addresses the social forces that, operating at multiple scales, are underlying the boom in – and institutionalisation of – low-fee private schooling in developing countries.

Scaling-up charter schools

Charter schools have advanced typically in a few wealthier countries, especially where there is declining political support for direct state administration of education. Charter schools are public–private hybrids – publicly funded, but privately managed schools – where the state offers a contract or ‘charter’ with an independent entity to administer and operate a largely autonomous school or set of campuses. Depending on the specific charter policy, that entity could be either for- or non-profit.

While charter schools are most evident in the US (and thus, the research discussed below is drawn from the US), the model has also advanced in New Zealand, Canada, Liberia and Colombia, and has notable similarities to school models in Sweden, England and elsewhere. In fact, this hybridised model of public–private partnership (PPP) in education provision has been nurtured, in both the US and other countries, by both formal and informal networks of policy entrepreneurs, philanthropies, and advocacy organisations in a policy climate that is generally favourable to decreasing the role of the state in direct provision of public services (Olmedo 2016; Verger, Fontdevila, and Zancajo 2016). However, the appeal of the charter school model is multifaceted, with the general idea of contracting with non-state entities resonating with multiple constituencies.

For instance, charter schools have indeed become a favoured policy in networks of market-oriented reform advocates in the US, who see charters as a way of undercutting teachers’ unions and introducing market mechanisms such as operational autonomy, consumer choice and competition between providers into the education system – in lieu of more dramatic moves towards privatisation. Networks nurtured by private philanthropies have been instrumental in facilitating this advance (Scott and Jabbar 2014; Lubienski, Brewer, and Goel La Londe 2016). As one leading school choice and charter school advocate noted: ‘The school-choice community has done this very effectively. [Private foundations] were then instrumental in providing political air cover for the programme. They found and supported researchers to document it, and they helped promote it nationally.’ These networks can be ideologically diverse, and include actors and organisations that reflect very different policy frameworks on public education.

Because of the popularity of charter schools with anti-government conservatives and neoliberal reformers, it is often forgotten that progressive educators and unions were the earliest advocates for charter schools, seeing an opportunity to empower small groups of teachers, explore new pedagogical approaches, and meet the needs of children marginalised in the state system (Budde 1988; Kolderie 1990; Nathan 1996). Indeed, community organisations have often embraced the charter model as a way to offer a curriculum that is more responsive to the needs of a particular community. But charter schools also appeal to some social conservatives concerned about secular and humanistic characteristics in state-administered schools.

At the same time, some equity-minded actors in more neoliberal circles argue that these schools could break down political barriers that kept poor and minority students trapped in underperforming public schools (Nathan 1996). For instance, Democrats for Education Reform is a well-networked advocacy group founded and funded by Wall Street wealth, focusing on using charter schools to improve opportunities for poor children. As their director, a former journalist, noted:

[For families who can’t afford to live in affluent neighborhoods or send their children to effective private schools … [t]he key is ensuring that they have an abundance of great schools from which to choose. The public charter-school movement, in addressing both the supply and demand sides of this equation, has emerged as the most promising development in the broader attempt to save public education. (Williams and Noguera 2010)]

Charter schools were originally advanced with the idea of meeting the preferences of these multiple and often conflicting constituencies with different ideas about the purposes for schooling (Lubienski
and Weitzel 2010). However, while this may have been the stated expectation for policy advocates, institutional factors have instead contributed to an entirely different situation in the US. Policy decisions promoting an education market have resulted in networks of multi-campus schools and large-scale management organisations, employing standardised educational approaches, garnering an unexpected degree of market share and political power. Thus, the emergence of an education industry has undercut the original vision of small-scale, community-based providers offering myriad educational alternatives within the state system.

The proliferation of the education industry in charter school policies

The charter model has spread rapidly in and from the US. From the first school starting in 1991, there are now some 6800 charter schools in 42 states and the District of Columbia, serving some three million students. (In England, the proliferation of the comparable ‘academies’ has been even more dramatic, with a large proportion of all secondary schools converted to a charter-like status within only a few years.)

Indeed, the rapid proliferation of these schools is due, in a large part, to the efforts of these actors in shaping the institutional environment in which the charter school industry has been nurtured. For instance, both liberal Democratic and conservative Republican administrations – in fact, all presidents going back to the 1990s – have expressed vocal support for charters, backed up by hundreds of millions of dollars in federal funding for the schools. Thus, there is a general enthusiasm within these networks for the popular idea of charters as engines of opportunity and educational choices for poor children, if not for the underlying theory elevating market mechanisms in public education.

But the empirical track record of these schools over the quarter-century of their existence is much more mixed than one might expect based on the enthusiasm they have generated. Charter schools were advanced with specific policy objectives in mind, including creating better and thus more equitable opportunities for disadvantaged populations, encouraging innovation, and enhancing educational outcomes. The theoretical underpinnings for these expectations, based in an appealing logic of political economy for education, offered an attractive contrast to the seemingly ineffective state system (Chubb and Moe 1990). State-run schools were perceived to be captured by teachers’ unions and other special interests, which then used bureaucratic regulations to protect their advantaged status, thereby inhibiting innovation and academic outcomes. Charter schools were seen as an antidote to state-monopolistic schooling. Freed from direct administration by state bureaucracies, granted operational autonomy, and required to compete in order to attract students and funding, charter schools were positioned to inject aspects of competitive education markets into the education sector.

However, the research on more equitable outcomes from charter schools has been mixed at best, and somewhat disappointing relative to the theoretical potential of these schools to address structural inequities in the public school system. Although many individual schools serve as conduits for increased academic opportunity, research indicates that, overall, charters are contributing to greater levels of segregation in an already segregated educational system (Lubienski and Weitzel 2009; Frankenberg, Siegel-Hawley, and Wang 2011; Rotberg 2014). Moreover, in terms of their effectiveness at enhancing academic outcomes, the overall empirical record indicates that – despite their theoretical advantages in terms of autonomy and competitive incentives – charter schools are generally not much different, and too often less effective, than matched public schools (Raymond and Center for Research on Education Outcomes 2009; Kahlenberg and Potter 2014).

This raises questions about what these supporters see in charter schools that more measured empirical evaluations do not. Certainly, there are areas where both supporters and opponents agree on charter school outcomes. For example, few would argue against the observation that charter schools have undercut the power of teachers’ unions by hiring a virtually union-free teaching force.

But the areas where charter schools have seen their clearest success is in creating quasi-markets for schooling in many localities, as state schools have been forced to respond to the challenge
presented by charters, and in shifting the locus of education governance from the state to new actors in charter advocacy networks. Such dynamics are the predictable and anticipated result of policies that were leveraged to facilitate market-like conditions through charter schools. School funding, for instance, is now typically calculated on a per-pupil basis, and is essentially made portable, so that a student leaving a public school for a charter school also removes that money from the public school’s revenue stream. While such policies shape the environment for emerging markets in education, as intended, they have also created the conditions for a degree of corporate consolidation within the charter market – a trend that may squeeze out some of the independent providers valued by early advocates of charter schools.

The growing influence of larger charter corporations – both for- and non-profit – is due to policy-created conditions that favour the political heft that these management organisations can bring through their networks. Groups like KIPP, Rocketship, K12 and others are nicely networked with political actors and philanthropic resources, which afford them distinct advantages in shaping legislation. For example, the recent federal Quality Charter Schools Act was influenced largely by such management organisations, and specifically gives preference to such organisations with demonstrable track records in improving student outcomes. Philanthropists like to support such proven entities, and government officials like the fact that these larger organisations have the experience and capacity to minimise risk, when uncertainty and unanticipated factors have caused many smaller, independent schools to fail. While the emerging influence of these corporate-style school chains may hinder earlier objectives regarding innovation and responsiveness to local conditions, they also reflect key elements evident in other areas of the GEI on issues such as profit-maximising, access to capital, consolidations and other corporate-type behaviour.

It is important to note the factors and forces shaping these developments in charter schools. Politically, charter schools still hold much appeal to liberals and progressives, and they attract many idealistic people to work in these schools and their associated organisations with the idea of enhancing opportunities for poor children. But at the same time, the possibility of injecting market mechanisms into the state education sector has played at least as great – if not a greater – role in advancing a policy agenda supporting charter schools. While many market-enthusiasts in state legislatures in the US had hoped for purer market arrangements through the introduction of voucher schemes and similar plans, they were unable to pass such legislation, but were able to work with many voucher opponents to pass charter school legislation as a second-best market-style arrangement for schooling. These efforts on charter schools attracted substantial funding not only from favourable federal policies, but from the largest organisations active in educational philanthropy. Funders such as the Gates, Walton and Broad Foundations offer substantial support not only for charter schools directly, but for creating the policy and institutional conditions in which charter schools, and especially larger charter management organisations, can thrive (Reckhow and Snyder 2014; Au and Lubienski 2016; Lubienski, Brewer, and Goel La Londe 2016). This is evident in their support for policy advocates who will advance charter policies, promote the idea of charter schools in the media, and tighten connections between charter management organisations and policymakers – often through a ‘revolving door’.

For instance, the American Legislative Exchange Council, funded by these philanthropies, offers a template for lawmakers to use in writing charter school authorising legislation. These philanthropies also support advocacy organisations that have successfully countered groups (like teachers unions) that seek limits on charter schools. The network they support includes influential advocacy organisations such as the National Association of Public Charter Schools, the Parent Revolution, The New Teacher Project and Students First. One of the leading beneficiaries of their largess is the Charter School Venture Fund, which was instrumental in providing capital to what are now some of the leading CMOs. And they have funded research organisations that tend to highlight evidence that put charter schools in the best light.

Thus, the proliferation of charter schools in the US reflects the interplay of discernable advocacy networks that represent the confluence of sometimes diverse views and impulses, but which fund
common ground on the issue of expanding charter schools. Despite some differences, the frames that animate the work of these network actors typically highlight an assumption that the state sector is ill-suited for providing quality education for diverse learners, and especially for disadvantaged children. The networks have been successful in reconfiguring state and national policy apparatuses in ways that allow for and encourage the rapid growth of charter schools.

Creating an economy of scale by means of standardisation

With the fast advance of the GEI, we have now entered a vicious cycle of standardisation. Standardisation of education is a favourable condition for businesses to enter the education market. However, once businesses enter the education sector, they tend to further standardise and modularise education to lower production and delivery cost, to sell their product to an ever increasing number of customers, and to entice schools to enter a comprehensive service contract as a result of which they are able to sell to schools not only the test, but also the textbook, the teacher education programme and the teacher mentoring programme. In the area of curriculum reform, competency-based education reform reflects most visibly the shift from inputs to outcomes, in particular, to competencies, learning outcomes or learning standards. Competency-based education reform qualifies as a global education policy which has travelled widely. It is part and parcel of the education market model, which has been described and criticised by Robertson and Verger (2012). Paired with choice, periodical assessments of student and teacher performance, a per capita financing policy which rewards schools that manage to attract the greatest number of students, and a few other ingredients necessary to make the education market model work, competency-based education reform is one of the reasons of why the education sector has become lucrative for business.

Standardisation is part of the DNA of education management organisations and chains of private schools. The link between these private providers and standardisation becomes more evident within the market education model. There, standardisation is meant to generate an identifiable chain’s brand and, by doing so, help families to overcome the usual information problems that they face when having to choose a school for their children (Verger, Fontdevila, and Zancajo 2016).

The adoption of the same set of competency-based curriculum standards in a country or in the near future possibly across countries – if PISA with its set of de-nationalised twenty-first century skills continues to grow exponentially – is advantageous for businesses. The same test, textbook, teacher education module, etc., may be sold not only once, that is, to the client (a school or a district) who commissioned its development, but to many additional clients. A good case in point is Pearson PLC who first developed the Common Core State Standards for New York and then tried to sell – with large legal repercussions – the same product to other districts and states in the US. Kornhaber, Barkauskas, and Griffith (2016) forcefully demonstrate the active involvement of philanthropies (notably, Gates Foundation, Carnegie Corporation, Hewlett Foundation, Helmsley Foundation and Lumina Foundation) in advocating, funding and implementing the Common Core State Standards Initiative. Writing on US standards-based reform, most recently manifested in the 2009 Common Core State Standards Initiative, Rothman (2011) focuses on the homogenisation or standardisation effect of the initiative. As a result of common standards, assessments and performance standards, the same tests, teaching and learning materials, and professional development programmes may be used statewide, generating economies of scale.

Standards-based education reform and ‘governance by numbers’ (Ozga 2009) are perhaps the two most visible signposts of an outcomes orientation in education that enables non-state actors, including businesses, to enter the education sector as providers of goods and services. ‘Governance by numbers’ is sometimes referred to as ‘soft power’ because national policy actors have the choice of using, or not using, the results from international rankings to either generate or alleviate reform pressure on aligning their own national system with international norms or best practices. However, they need to communicate and convince the other stakeholders in education in the language of education.
Pedagogical language is by default one that puts the learner at centre stage, regardless of whether the learner is a child enrolled in pre-school, a school-aged student, a university student or an adult who is trained in non-formal education settings. To push through any kind of standardisation in the education sector, policymakers have to make the case that a reform is good for the learner, or even better improves learning outcomes.

Prior to the global adoption of the education market model, which includes different forms of publicly funded private schools, parents had to pay for private schools. Today, there exists a broad spectrum of schools, ranging from low-fee, medium-fee and high-fee private schools. What these private schools offer in terms of the curriculum, teacher qualification, and school facilities depends very much on their clientele and the fees that parents can afford to pay. Perhaps the bluntest example of a fee structure is reflected in the business philosophy of GEMS schools (see Ridge, Kippels, and Shami 2016). Sunny Varkey, CEO of GEMS, proudly announced:

We adopted the airline model of economy, business, and first class to make top-notch education available based on what families could afford. (Cited in Rai 2014, 1; see Ridge, Kippels, and Shami 2016)

In 2014, GEMS ran seventy schools (in UAE, US, UK, Kenya, India) and employed over 11,000 people worldwide. The GEMS curriculum is competency-based and class stratified. In Switzerland, for example, the GEMS school only targets elites. It is certified to teach all three programmes of IB (International Baccalaureate) for children aged 3–18 and charges high fees with the promise of ‘creating open-minded, confident, successful global citizens’. In other countries, GEMS targets the poor or the lower middle class, depending on their market analyses.

As we describe below, standardisation is also at the centre of the expansion of chains of LFPS in the South. It is quite illustrative of this standardisation ambition that some of these chains, such as the Omega schools, state that they are creating an easily replicable ‘school-in-a-box’ model (Riep 2014), or that Bridge Academies define themselves as the Starbucks of education (Srivastava 2016). According to the LFPS advocate, James Tooley:

There is, it seems, every reason to think that a similarly ‘deeply understood and standardized’ learning process could become part of an equally successful model of private school provision, serving huge numbers of the poor. (Tooley 2007, 42)

**Standardisation in PPP contexts**

Of particular interest for the GEI is the relatively new trend of using public funds for financing private schools, as described above. The examples of Qatar, Indonesia and Mongolia reflect the wide range of PPP models to be found in different education systems of the world. In all three cases, the government insisted that it had to comply with ‘international standards’ and used the argument to mobilise funds for its PPP initiative.

At one end of the spectrum of PPPs is Qatar, where the government handed over its public system to the US private sector. At the other end is Indonesia, where the government adopted international curriculum standards, previously only taught in private schools, for its public school system. Educational reform in Mongolia is situated somewhere in the middle. In all three countries, there was broad public resistance against the PPP approach and the governments had to scale back their initial plan of nationwide reform.

In 2001, Qatar commissioned the Rand Corporation to evaluate and redesign the K-12 education system and then manage the implementation of the recommended reforms. In line with its corporate orientation, Rand systematically promoted school choice, encouraged competition and advocated for diversification among schools. After a few years, the Qatari educational system had been ‘diversified’ into schools which were independent, internationally accredited and private. The vouchers programme ensures that tuition is paid to private schools from public funds, which in turn encourages their establishment. The Ministry of Education became redundant, and the notion of public schooling irrelevant, because, regardless of type, each and every school, whether public or private, is entitled...
to redeem government-issued vouchers based on the number of students enrolled. The result was an effective handover from the public to the private sector.

Indonesia provides another example of government-driven PPP in education. The new education law of 2003 included a paragraph that later on became a cause of great controversy. Article 50, paragraph 3 says: ‘The Government and local governments organise at least a unit of education at all levels of education, to be developed further as a unit having international standards of education’ (Government of Indonesia, article 50, verse 3). Several strategic plans specified the details of the International Standard Schools (ISS) as a means for implementing ‘international standards’ in Indonesian education (see Coleman 2011; Kustulasari 2009; Sinanu 2012). ISS had to fulfill nine quality criteria. They included, for example, accreditation by a school accreditation body in an OECD member nation, lesson content equivalent to or higher than taught in an OECD member country, Internet access, etc. It was assumed that not all participating schools were able to implement right away the quality criteria attached to the label. Therefore, a distinction was made between those aspiring to become ISS (known as pilot-ISS or RSBI [Rintisan Sekolah Bertaraf Internasional]) and those that were granted the title right at the beginning of the reform (known as SBI [Sekolah Bestandar Internasional]. The Government of Indonesia mandated that each district had to establish at least one ISS, which will then serve as an example for surrounding schools to emulate (Steiner-Khamsi 2015).

The Government of Indonesia relied on both public and private funding to scale up the ISS model. In general, state primary and lower secondary schools in Indonesia were forbidden to charge fees. The regulation on ISS, however, enabled them to circumvent the greater policy on free schools. Even though these schools received regular state funding (‘school operational support’), and a specific ISS grant from the government, they were granted permission to charge fees from parents for supplemental services (Coleman 2011). The government plan was vehemently criticised as being costly, unfeasible and fostering inequity. For these reasons, the conversion of regular public schools into Pre-ISS and ISS had been slower than planned. Finally in January 2013, the Constitutional Court of Indonesia determined that the ISS were unconstitutional, because they provided unequal access to educational opportunities. The Court contended that charging fees had led to a ‘commercialisation of the education sector’, and implied that ‘quality education would become an expensive item that only the rich could afford’. The Government of Indonesia was criticised by civil society organisations for spending a disproportionately large amount on these special public schools at the expense of properly funding regular public schools.

The same concern with spending too much on a few pilot ‘Cambridge standard schools’, while diverting resources needed to educate the masses, was voiced in Mongolia. The previous government was heavily criticised for buying into the Cambridge International Education programme (referred to as ‘Cambridge Standards’), and agreeing to fund 32 bilingual (Mongolian/English) pilot schools. As with similar reforms carried out in other countries by the multilateral education business complex, the argument was made that the higher standards used in expensive, publicly financed, bilingual pilot schools would spill over to regular schools, and thereby benefit education across the board. Nevertheless, in August, 2012, when a new government came to power, the newly elected Minister of Education and Science instantaneously distanced himself from the plan. Later on the Minister downplayed his resistance with the argument that prior business agreements had to be honoured. To accommodate both sides, he publicly announced that the Ministry would merely adopt a few elements of the Cambridge Standards for use in all schools without establishing pilot bilingual schools from public funds. Similar to the ISS in Indonesia, the use of ‘international standards’, in particular English as a medium of instruction and the use of ICT, was the primary selling points.

**The promotion of LFPS in the Global South**

In numerous low-income countries, private-sector involvement in education is growing through the emergence and expansion of so-called LFPS. LFPS are defined as private schools that have been set up and are owned by an individual or group of individuals for the purpose of making a profit, and are
supposed to be ‘affordable’ for low-income families (Phillipson 2008). According to existing research on the topic, LFPS are a growing phenomenon in sub-Saharan Africa (with Malawi, Nigeria, Kenya and Ghana referenced most frequently), South Asia (India and Pakistan) and Latin America (Peru, Centre-America) (Verger, Fontdevila, and Zancajo 2016). Nonetheless, it is not easy to calculate the real dimension that this emerging school sector is acquiring due to the fact that many LFPS are not regularised and, accordingly, are not contemplated in administrative records (Härmä and Adefisayo 2013).

According to LFPS advocates, these schools are expanding because many families conceive these schools as a superior form of educational provision. Other explanations of the expansion of the LFPS sector put the emphasis on the fact that in many low income countries, the public education offer is insufficient and that the institutional rules are very permissive with the expansion of private interests in the educational sector. Finally, it is also important to acknowledge that, in the last years, big international donors and transnational corporations are backing the expansion of LFPS as a legitimate form of educational provision in the South. In the following sections, we develop each of these factors.

**Demand-side forces: LFPS as a superior form of provision?**

Researchers supportive of education privatisation consider that poor families make the economic effort to put their children in LFPS because they perceive that these schools offer higher quality education than public schools and, as a consequence, ‘will better increase their children’s opportunities and potential’ (Tooley 2013, 460). According to these researchers, as is assumed with charter schools, LFPS are better managed than public schools, teachers in these schools are more highly committed and, more important in their argumentation, in LFPS, children would learn more than in public schools (Tooley 2016, 64). Because of these reasons, poor families would prefer spending part of their scarce resources in LFPS than enrolling their kids, in free public schools (Dixon, Tooley, and Schagen 2013, 102).

Other scholars problematise parental perceptions of school quality, and emphasise that many families choose LFPS, because these schools give more subjects, workbooks and homework to children than public schools (Balarín 2015; see also Fennell 2013). Thus, these families would perceive discipline and traditional forms of education as a proxy for the quality of education, despite current pedagogical and didactical theories clearly challenging these perceptions. There are also those who argue that LFPS are not better than public schools in abstract terms, but – as many charters schools also do to become more effective – they tend to be more intensive when it comes to teaching hours, with some having classes on Saturdays, and are more strategic when it comes to teaching students how to do well on standardised tests (Riep 2014).

Overall, the superior quality of LFPS is a highly contested subject in the existing literature. Critical scholars, but also teachers’ unions and civil society organisations, tend to point to teachers’ qualifications and labour conditions as the main challenge of LFPS from a quality perspective. According to them, LFPS often hire unqualified teachers (who may receive very little training, are trained in house or both) and pay them very low wages (Andrabi, Das, and Khwaja 2008; Riep 2014). Unrecognised curriculum and certification issues are other challenges that LFPS raise from both a quality and equity perspective. The Government of Uganda has announced that it will close the 63 schools of the LFPS chain Bridge International Academies (BIA) because they do not comply with safety and quality standards, and a recent resolution of the UN Human Rights Council urges countries to regulate the growing sector of commercial providers in a way that respects international human rights obligations.

A rigorous review funded by the UK Department for International Development (DFID) on the impact of private schools in developing countries also challenges the ‘quality advantage’ assumption of LFPS. This review concludes that evidence on the potential contribution of private schooling to achieving quality education for all is still inconclusive in many aspects (see Ashley et al. 2014).
Overall, the idea that LFPS mainly emerge as a reaction to demand pressures for quality education and better learning outcomes is highly problematic. More nuanced analyses rather point out to the fact that LFPS emerge in rural or poor urban areas where the public education offer is insufficient or inadequate – that is, public schools are located very far away, or their class-rooms are too crowded (Härmä 2010; Heyneman and Stern 2014). There are also those that consider that LFPS benefit from an increasing demand because many of these schools respond to or are more aligned with the religious or linguistic preferences of parents than conventional public schools (see for instance Sarasgapani and Winch 2010; Walford 2015).

The international promotion of LFPS

Demand-side forces are not sufficient to understand the expansion that the LFPS sector is experimenting currently. Despite LFPS having been traditionally portrayed, usually in a romanticised way, as the initiative of local education entrepreneurs from poor villages (Walford 2015), more recently, the international aid community has actively advocated and promoted the scaling up of this schooling modality – similar to the dynamic seen with charter schools. According to a range of international players such as the World Bank, DFID or Pearson PLC, LFPS are a key ally to promote access to quality education in contexts of scarce resources and limited administrative capacity (Baum 2012)

The Pearson Affordable Learning Fund (PALF) is an emblematic example of how external corporate actors promote the expansion of LFPS in low-income countries, most of which have educational systems that are de facto highly liberalised. The PALF is a multi-million fund available to those organisations managing affordable private schools that aim to scale up their activity. This initiative conceives the low-fee schooling sector as an ally in the achievement of global educational goals, but also as a sector that can generate important economic returns (Santori, Ball, and Junemann 2015). According to the PALF’s chairman Sir Michael Barber:

To use economic jargon, [the LFPS sector is] an immature market, so there’s lots of one or two school little family companies and we think we can find some, take them to scale, get large chains of schools that are consistent, that are higher quality and still very low-cost. … It’s absolutely for-profit. But get this right – it’s important to demonstrate profit because we want other investors to come in. (Barber, as cited in Riep 2014, 264)

Private corporations, international donors, philanthropic foundations and consultants meet regularly with education entrepreneurs and LFPS owners in international summits such as the World Innovation Summit for Education or the Private Education Conference of the International Finance Corporation. In conferences like these, participants establish social relations, share and borrow ideas, learn about ‘best practices’ and visit innovative experiences (Santori, Ball, and Junemann 2015). Overall, these international events contribute to expanding and strengthening networks and to closing business deals. At a more symbolic level, these spaces also contribute to entrenching a discourse in the international education arena on the desirability of including both the private-sector and for-profit motives in educational development strategies (Ball 2012).

As a result of these dynamics, the LFPS sector is going through profound changes currently. The international support given by the international aid community has allowed the emergence and expansion of LFPS chains such as BIA, which operate in several African countries, or the APEC-schools in the Philippines. These school chains benefit from economies of scale and, as mentioned above, consider the standardisation of their educational products and processes as a key component of their economic strategy (Junemann, Ball, and Santori 2016). Some of these international chains of LFPS, when it comes to defining their educational and marketing strategies, are strongly connected with northern charter schools advocates and charter management organisations (Ball 2016).

Another emerging change consists on the establishment of PPPs between governments in the Global South and LFPS, usually with the economic and policy support of the international aid community. For governments and other stakeholders, the establishment of PPPs with LFPS (for instance,
through a voucher scheme) is a way to expand education at a lower cost for the public treasury, but also to promote school choice and guarantee that low-fee schools are accessible for all. Some of the countries that have established this type of partnerships so far are Uganda, India and Pakistan (Srivastava 2016). In a country like India, the designs of PPPs with LFPS in Delhi and India have been strongly influenced by northern consultancy firms, like McKinsey and Boston Consulting that have based their advice on “evidence based” policy “solutions” such as the US charter schools and English academies (Ball 2016, 11), despite (as we have shown above) the inconclusiveness and disputed nature of this type of evidence. More recently, Liberia surprised the international education community when it announced Partnership Schools for Liberia, an ambitious charter school reform that had to put BIA in charge of managing all the public schools of the country (although, after much of a stir, not all Liberian schools will be charterised, and BIA will not be the single private provider). These and other PPP frameworks generate incentives not only for the consolidation of existing LFPS, but also for the generation and expansions of new LFPS.

Summing up, LFPS are emerging in many low-income countries as the result of the complex interaction of demand and supply-side dynamics, domestic and external influences. On the demand side, families choose LFPS not only as a matter of avoiding a public school offer that, in some locations, is absent or insufficient, but also as a matter of security, linguistic and religious recognition, and, especially, social distinction (i.e., a way for low-income parents to distance themselves from even more disadvantaged families). On the offer side, and despite its locally situated origins, the LFPS phenomenon is being increasingly globalised, with international organisations, donors, philanthropists, and private investors further promoting and investing in them in educational settings that, in most cases, are not sufficiently developed and regulated. Thus, against the assumption that the LFPS phenomenon has spontaneously emerged as a reaction to poor families’ demand for private education, we are currently witnessing how a broad range of LFPS initiatives are becoming embedded in transnational networks of advocacy, capital and policy-making. In fact, the more recent trend of organising PPPs with the low-fee schooling sector reflects that LFPS are moving from being de facto privatisation to the ‘strategy of design’ in education by the international development community (Srivastava 2010, 3).

Conclusions

The GEI is a structuring social and economic space with its specific institutions, forms of agency, hierarchies and interacting market sectors. Power practices and dynamics are at the centre of the structuring of the GEI and the multiple educational markets that conform to it. Different actors struggle for the expansion, transformation and/or reproduction of markets in education, as well as for having an advantageous or dominant position in them. Overall, the cases analysed in this paper reflect how appropriate it is to think about the emergence and expansion of educational markets as the result of the interaction of power relations, institutions, cognitive frames and networks.

To start with, the constitution of strong networks, often articulated at an international scale, and the generation of the adequate spaces in which to construct and consolidate such networks (including international conferences, awards’ ceremonies and similar events) is an important component of market development strategies. All the education market-making processes described in this article have powerful, well-resourced and well-connected promoters behind them, including philanthropic organisations, consultancy firms, corporate actors, governments and/or international donors. These actors promote market development in education for economic, social or ideological reasons (or for a combination of these different reasons). However, we have also seen that material resources are not enough to construct new market spaces and/or to achieve an advantageous position in them. Market advocates are increasingly being forced to engage in a fierce battle of ideas and evidence to demonstrate that their policy preferences for market solutions in education ‘work’ and have to lobby actively to shape social norms, institutions and legislation in their own advantage.
Among other technologies of power, framing strategies are key in the production of new markets, and in the consolidation, naturalization and social legitimation of education as an industry sector. Aligning the idea of school choice with the idea of freedom; arguing that for-profit school operators can contribute to noble goals such as bringing education to the poor; or that educational standards defined internationally will generate quality education for all are some examples of market framing that come out in this paper. Market advocates resort to socially accepted principled beliefs and values (including freedom, equity, quality and so on) to support their policy preferences, but increasingly resort to scientific ideas and causal-beliefs as well. To this purpose, they engage with like-minded scholars and think tanks, and commission research to them. US philanthropies are especially active in the knowledge mobilisation domain (Lubinski, Brewer, and Goel La Londe 2016). Evidence on the role and impact of LFPS has also generated a disputed debate between scholars and policy entrepreneurs that, quite unusually, has even been echoed in widely circulated media.7 Furthermore, stakeholders that have traditionally supported public education and now embrace private solutions, as is the case of the American Democrats with charter schools, and several international aid agencies with LFPS, also resort to framing strategies as a way to legitimate their new position.

The cases presented here reflect how different education market sectors, while distinct, do not develop in isolation; they rather interact in the constitution of an increasingly globalised education industry. For instance, as we have shown, charter schools from the US are networking with and supporting LFPS chains in the South; both LFPS and charters schools management organisations rely increasingly on the standardisation of educational processes as a way to package and sell their products, and to promote economies of scale; and several developing countries resort to curriculum packages and international standards defined by transnational consultancy firms in domestic education reform.

Furthermore, the three cases analysed reflect that the GEI does not necessarily advance through the constitution of pure education markets, but through the generation of PPPs that are strongly funded by the state. In fact, the high percentage of state funding in most educational systems, instead of inhibiting market generation, is a great incentive for business participation due to the profitable contracts that can be obtained from the public sector. Nonetheless, more research is necessary to understand, on the one hand, the role of the state in education market-making and, on the other hand, how (and to what extent) different education markets reinforce each other in the constitution of the GEI.

Finally, we would like to remark that the expansion that the education industry is experiencing in many points of the planet is far from uncontested. The level of resistance against charters in many US States, but also in Bogotá or Ontario (see Termes et al. 2015; Adamson, Astrand, and Darling-Hammond 2016), the criticism received by numerous LFPS chains (including criticism coming from governments in the South, the UN, civil society, teachers unions, etc.) or the case of Indonesia explored here (where the government had to scale back its plan of establishing private schools in every district of the country) show that market development in education does not constitute a linear and flat path.8 Education privatisation and marketisation, despite their powerful promoters, configure a very contested terrain that meets numerous obstacles and sources of resistance in many places and, accordingly, develops through back and forward dynamics.

Notes
8. Nonetheless, as the Chilean experience shows (see Bellei 2016), it is also true that when private interests sediment in the governance of educational systems, especially in provision activities, education privatization is a process that, for both political and economical reasons, is very difficult to revert.

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