

The Emergence of Public Private Partnerships in the Global Governance of Education

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Introduction¹

Over the past decade, the globalisation and governing of education through Public Private Partnerships (PPPs) have generated considerable debate as to their meaning, purpose, status and outcomes. This debate is particularly heated in the education sector because of the widely-held view that education is a complex social and political activity that should remain largely, if not wholly, in the public sector serving public interests. The rapid expansion of Education Public Private Partnerships (ePPPs), which increasingly involves private actors in a range of public sector education activity, including more and more of the traditional arenas of public education systems: policymaking, education provision, inspection, school management (cf. Hatcher, 2006; Ball, 2007; Bhanji, 2008; Saltman, 2010), therefore deserves close scrutiny.

To some observers, ePPPs are simply a newer, friendlier, face on a longer-standing 'privatisation of education' agenda (Hatcher, 2006: 602), whilst others regard ePPPs as an innovative means of financing education that draws upon the best of the public and the private with the potential to resolve deep systemic problems in education systems, such as access, quality and equity (King, 2009). Whatever the veracity of either positions, PPPs are not only "...increasingly professionalized, technical and rational" (Hodge et al., 2010: 3), they are also part of a rapidly growing corporate industry (Greve, 2010). Yet they remain an enigma, and their status as a contemporary governance practice in education continues to be controversial.

At the centre of this debate are questions around what PPPs are, and why they have become a favoured management tool of governments, corporations, and international development agencies. Under the PPP umbrella it is clear there has been a very rapid expansion of private sector activity in the public education sector; far greater than had been realised under earlier market liberalisation policies that were launched in the 1980s. Critical though these new private activities are, they are not the only dimensions of PPPs at issue. For governing education through PPPs is *more*

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than a matter of coordinating education services involving public and private actors. Such governmental arts, we will be arguing, are central in constituting particular kinds of (market) citizens (Stoer and Magalhaes 2002), on the one hand, and in the reconstitution of the education sector (as part of a rapidly growing global education services industry), on the other.

In order to locate and explain the rise, significance and global expansion of PPPs, we look back briefly to the advance of economic liberalism, more widely referred to as neo-liberalism, as an alternative political project in the 1980s, and the subsequent transformations that took place in the organisation of social, political and economic life. We look particularly at the introduction of neo-liberalism (quasi-markets, competition and nascent forms of privatisation) into the education sector, and the opposition and challenges its key proponents confronted in attempting to reconstruct education so that it operates according to freer market principles. We then turn to the emergence of ePPPs at the beginning of the millennium, and the promises made by the idea of partnership. We focus on the role of a key global development network in globalising a particular kind of ePPPs, and look at how this fits into a wider project which reconstitutes public education as an education services industry to be governed as part of the construction of a market society.

Economic Liberalism and the Restructuring of the State-Education Relation

To understand the significance of PPPs, and the changing relationship between the public and the private sectors in contemporary education governance, we need to look back to the early 1970s, to the crisis of the post-war capitalist development project (a marriage between economic liberalism and social democracy) (Hobsbawm 1994; Harvey 2005), and the subsequent introduction of free market economics as the dominant means of organising social and political life. Free market ideas had circulated from the 1930s onward, but had not been able to secure a toehold in political and policy circles.

Instead, Keynesian ideas dominated post-war reconstruction efforts, championing state-managed economic and social policies in order to smooth over the cycle of booms and busts that characterized capitalist economies and the need to repair market failures. Neo-liberals, in contrast, argued that state-driven Keynesian policy, and its tendency to create state monopolies, ‘crowded out’ the private sector from those areas where competition would generate efficiencies, greater risk taking, and innovation. For neo-liberals, the appropriate role for the state was to create and preserve an institutional framework that ensured the conditions for enabling the market to work effectively (Harvey, 2005: 2).

As neo-liberal projects were rolled out in the 1980s, a cluster of key ideas featured: the unpicking of the state’s protectionist policies to enable the freer movement of finance, trade and labour across national boundaries (referred to as deregulation); the implementation of competition policies across the public and private sectors aimed at creating efficiencies; the privatization of a range of former

state activity; and the rescaling of state activity (involving a dual process of decentralisation and recentralisation). The special status of state activities as 'public services' either no longer applied, or needed to be radically rethought. Remarks Leys (2003: 3); "... state institutions were restructured with three main aims: to make the state serve business interests; to remodel its internal operations on business lines; and to reduce the government's exposure to political pressure from the electorate". In policy and development circles, this cluster of ideas came to be referred to as the Washington Consensus (Williamson, 1993).

These aims were then translated into new managerial discourses and strategies, leading Hood (1991) to coin the term 'New Public Management' (NPM) to refer to a clustering of elements that included performance targets, active hands-on management by managers, the specification of standards and indicators, results-driven allocations, audit, and the outsourcing of a range of activity that had once been a central part of the public sector. And whilst the outcomes of neo-liberalism as a political project differed somewhat from country to country, their broad form and the basis of how these interventions were being legitimated, did not. Markets and competition, and the role of the private sector in new and old areas of service delivery (Ball, 2007), were presented as 'in the national interest', central to global economic competitiveness, as a means of arresting poverty and slowing economic growth, and the basis for building knowledge-based economies.

Yet, while there was considerable talk by the early 1990s, that education had been privatised and commodified, much of the reform effort in high income countries centred on the introduction of competition and choice policies (better known as quasi-markets) into the governance of education (Chubb and Moe, 1988; Gewirtz, Ball and Bowe, 1995), rather than straight out privatization (Dale, 1997). In the US and Canada, private interests tended to take the form of commercialization, such as having exclusive rights to sell soft drinks, or providing free curriculum materials in order to promote specific products (Molnar, 2006).

Throughout this period, key international and governmental agencies, the World Bank (WB), International Monetary Fund (IMF), Organisation for Economic and Cooperative Development (OECD), United States Agency for International Development (USAID) played an increasingly instrumental role in advancing free market ideas as the basis for development. In low-income countries, neo-liberal political projects—often referred to as 'policy in a suitcase'—were advanced through the WB/IMF's Structural Adjustment Policies (SAPs) (Samoff, 1994). This policy repertoire, which included decentralisation, privatisation, user fees, and community financing, had devastating consequences not only on the quality and capacity of these education systems, but on their wider societies, with increased social polarisation and greater levels of inequality (Bonal, 2002; Ilon, 1994). The OECD advanced a similar neo-liberal agenda -- though in this case aimed at the high income countries (Rizvi and Lingard, 2006) -- of devolution, institutional autonomy (as opposed to bureaucratic forms of organisation) and parental choice.

While the governance turn against the state was advanced by market liberals, it is important to recognise that hegemonies do not get built out of narrow sets of

interests. Instead, they arise out of the capacity to articulate with a range of concerns, aligning these with particular kinds of possible solutions – in this case the market as opposed to the state. Anna Yeatman (1997) argues that the turn to contractualism that emerged with neo-liberalism was a paradoxical in that it opened up the possibility of reviewing the basis of the post-war welfare-state social contract, in particular that the citizen was a white, employed, male, head of the household. However, as Hirsch (2003: 243-4) points out, many of the governance concepts that emerged, such as partnerships and regulatory networks, to ensure the coordination of services, tend to reduce democracy to negotiation within civil society between extremely unequal actors or simply to participatory mobilization. Government had given way to governance, on the one hand, and the internationalization of the state is both *cause* and *effect* of a fundamental restructuring of class relations, on the other (Hirsch, 2003; Harvey, 2005; Sassen, 2006). By cause, scholars like Harvey argue, the competition state and its internationalising tendencies was the outcome of the successful mobilisation of power by the state and particular fractions of (finance), as well as the liberalisation of the state's policy and regulatory environment which in turn put pressure on domestic labour unions (Harvey, 2005: 33-34). By effect we mean the reshaping of social class relations that emerged as a result of these processes, in particular redistribution of resources upward, to corporate elites, and away from the working and the middle classes.

A further set of dynamics were also at work in the education sector on the demand side, as a result of greater competition for more, higher social status education credentials in order to secure a job in an increasingly globally competitive labour market. Brown coined two terms that are useful for our purposes; the ideology of 'parentocracy' and the idea of a growing 'opportunity gap' (Brown et al, 2002; Brown, 2006). By parentocracy, Brown means "...a child's education is increasingly dependent upon the *wealth* and *wishes* of the parent rather than the *ability* and *efforts* of the child" (Brown, 1990: 66). The defining feature of an 'education parentocracy' is that it is not the *amount* of education that is received, but the social basis on which educational selection is organised. In other words, an education acquired in a high status private school, or a highly selective publicly-funded school (albeit legitimated by policies such as school choice, or the value of 'low-fee' schooling), or a highly selective university, has significantly greater social value than one acquired at a school which is not able to be selective, or whose basis of selection does not generate status. Brown's concepts help us understand why it is that families invest considerable (and growing) amounts of their resources—money, time, opportunity costs—in choosing particular kinds of education experiences, institutions, and augmenting experiences to ensure access to diminishing opportunities in globally competitive economies. These 'demands' drive suppliers to respond, including the state. Brown (1990: 66) argues that as education became more accessible, and more equitable—the result of expanded state provision, and state policy on equity of access and outcomes—a third wave in the socio-historical development of education in advanced western economies has become evident resulting in a move away from the ideology of meritocracy to the ideology of 'parentocracy'. Parents become enrolled in

this project – as those responsible for enabling and realising their children’s futures. They locate themselves in the right neighbourhood, particularly if this is the basis of selection, or in the right social networks. They also spend considerable sums of household income on purchasing additional status resources or enablers, such as private tutoring (for instance, in subject disciplines, cultural activity, languages) or enrolling their children in ‘cram’ schools or other forms of what Bray (2011) refers to as ‘shadow schooling’.

By the early 1990s, however, this first wave of pro-market policies that had been advanced by governments and international agencies were being called into question, because of their detrimental consequences for economic and social development, and as a result of mounting opposition.

‘Partnerships’: Mediating or Making the Market?

‘Partnerships’ emerged in the early 1990s promising to smooth over the damage done by earlier forms of privatization whilst not abandoning them. Most importantly, partnerships enabled multiple framings, multiple interests, and multiple objectives to be realized (Newman, 2001: 107).

The rebirth of ‘partnership’ also articulated with wider changes in the ideological and conceptual landscape of governance; toward a ‘third way’ between the state and the market (such as Blair’s ‘modernizing government’ in the UK (Newman, 2001). ‘Partnerships’ were a corrective to *too much* state (Keynesianism), on the one hand, and *too little* state, on the other (privatization). In acting as a bridge between each sector, partnerships were also presumed to act as a conduit enabling the values of each partner to be capitalised upon.

The public sector draws attention to public interest, stewardship and solidarity considerations... The private sector is thought to be creative and dynamic, bringing access to finance, knowledge of technologies, managerial efficiency, and entrepreneurial spirit... The not-for-profit organization is strong in areas that require compassion and commitment to individuals.... (Rosenau, 2000: 218)

Such views were advanced by writers, like Osborne and Gaebler (1992), whose influential book, *Reinventing Government* argued that government’s monopolistic tendencies were no longer useful in a globalised economy (1992: 33). Rather, governments had to learn to understand what they did best - to ‘lead’ (steering) through setting policy frameworks rather than ‘doing’ (rowing) or providing services; “...it helps them insist on accountability for quality performance: contractors know that they can be let go if their quality sags; civil servants know they cannot” (Osborne and Gaebler, 1992: 35). However Osborne and Gaebler also had in mind a *different kind* of public service—a more entrepreneurial one that would “...habitually use resources in new ways to maximize productivity and effectiveness” (ibid: xix). Ball

and Youdell (2007) describe this as privatization *in* government as distinct from the privatization *of* government.

Bovaird (2004: 206) points to another source that explains the rising prominence of partnership; the work of economists, like Oliver Williamson (1975), on the transactions costs associated with contracting. The high costs of activities associated with complex contracts, such as designing, letting, monitoring, and so on, meant an organization would be much better off undertaking all of these activities *within* rather than *outside* the organization, unless relational contracts built on partnerships and trust could be set up. The strategic management literature that emerged as a result also laid the basis for the good governance paradigm that underpins what was not referred to as the Post-Washington Consensus (cf. Kooiman, 1993; Rhodes, 1997).

The good governance approach was critical of the excessive attention to *efficiency* as the sole criteria for determining 'value' for money, arguing that a preoccupation with 'efficiency' can too quickly lead to actions that damage reputations, such as unfair employment practices, lack of transparency, poor quality outputs, and so on. A focus on *effectiveness* asks questions about outcomes, and the strategies (risk sharing, innovative education delivery, etc.) that might be deployed to realise these outcomes.

By the late 1990s, the large international agencies within the UN system, including the World Bank, together with the OECD, and bilateral aid donors, such as DFID, USAID, and Danida (cf. Kirkemann and Appelquist, 2008), had all begun to focus on partnerships, arguing that if countries were going to achieve the Millennium Development Goals, they would need to advance a new development paradigm (Martin, 2000; Dunning, 2006). Partnerships also featured in the ten principles of the Global Compact launched by UN Director, Kofi Annan in 1999 (Cammack, 2006; Bull, 2010). Under Annan, new emphasis was placed on the market and entrepreneurship; the result of ideological shifts in the wider political economy, and as a means of resolving longer-standing financial constraints. Argues Bull (2010: 481): "PPPs were... a means to make corporations pull in the same direction as states and multilateral organisations". The pioneer among the UN organisations was the UN International Children's Fund (UNICEF), which from an early point had sought business funding and collaboration (op. Cit: 483).

Major corporations were invited to adopt the Global Compact as part of their social responsibility commitments, in cooperation with the UN (Bull, 2010). In 2004, the UN had launched its PPP programme (Bull and McNeil, 2007). And while these partnerships had multiple purposes, they shared the same common goal: to combine the efforts of states, multilateral organizations and the private sector (such as the for-profits, NGOs), in pursuit of commonly accepted goals. In doing so, Bull and McNeil (2007: 1) argue, PPPs, albeit unevenly, have transformed the multilateral system.

Whilst there are many different forms of ePPPs ranging from the construction, management, and maintenance of infrastructure to resource mobilisation, advocacy, policy and the provision of services and operations (Ball, 2007: 43; Bull, 2010: 484), they broadly share a common foundation in a set of programmatic ideas that represent

a continuation, rather than a moderation, of economic liberalism. This argument is also made by Linder (2000) when reviewing PPPs in the US context; that though there are multiple meanings, or grammars, of partnership (as management reform, problem conversion, moral regeneration, and so on), their ideological referent points are an articulation of neo-liberalism and neo-conservatism. And whilst these two referent points are distinct – they have in common a dislike of the state (for neo-liberals it is because the state is inefficient; for neoconservatives it is because the state is perpetually overburdened by demands made by the undeserving).

The idea of partnerships, therefore, appears to act as a useful portmanteau, not just for bringing different actors together and therefore different constituencies and kinds of expertise, but for brokering in, rather than mitigating or mediating, privatisation *in*, and *of*, education. In making this distinction, we agree with Ball's (2007: 13) point; that privatization typically involves a variety of processes, and for this reason it is more appropriate to think about *privatizations*.

Globalising ePPP: Policy Entrepreneurs and the Making of a Market Society

The rise of a global discourse on ePPPs has been particularly pronounced in the education for development domain. This raises the question of how ideas are articulated and represented. In this section we examine the role of a small group of policy entrepreneurs and education experts who have played a central role in promoting a particular version of ePPPs globally, through it is important to note we are not arguing that they have necessarily been effective in materialising and embedding these ideas in a wide range of national settings.

This small network of policy entrepreneurs and education experts are located at the interstices of a select range of international organizations, transnational education consultancy firms and global universities (such as the World Bank, the Asian Development Bank (ADB), the International Finance Corporation (IFC), the Centre for British Teachers (CfBT), and more recently Harvard University), have been responsible for promoting the idea of ePPPs within the wider development domain.²

In the nineties, representatives of these organizations came together in the World Bank Economics of Education Thematic Group and opened a research and discussion line on private and alternatives forms of education provision, initially with a focus on Sub-Saharan Africa. In 2001, in the context of the IFC, this same group of experts launched a handbook on PPPs in education. The main authors of this collaboration were Norman LaRocque, then Director of Corporate Finance at Anderson Consulting Company in New Zealand, James Tooley, Professor of Education Policy in the UK, and Michael Latham, Education Advisor to CfBT Education Services, along with Harry Patrinos, Senior Education Economist with the Bank. These individuals have been central to advancing the PPPs agenda in education more globally.

² CfBT is a UK charity that provides a range of education services internationally.

This network of education experts is behind the most well known publications, policy-briefs and toolkits on ePPPs, culminating in the widely disseminated World Bank report *The Role and Impact of PPPs in Education* released in 2009 (see Table 1). The network is also behind the organization and development of a range of events where the ePPP idea has been discussed among policy-makers, donor agencies, international organizations staff and academics. The network is quite narrow in scope, but very cohesive. As observed in the publications and events identified, their members write and speak at each other's initiatives (publications, seminars, courses, etc.).

[Insert Table 1 about here]

A central assumption made by this policy network is that "...education is a consumer good, and that the student is the principal consumer through parents" (IFC, 2001: 1). What follows from this assumption is that in order for parents (and students) to choose, the education sector needs to be organised so that it operates according to the logic of a free market; this includes information on the nature of the education offered by various provider's including its quality; incentives that ensure the right kind of performance behaviour; regulatory guarantees to protect the interests of private investors and ensure fair competition amongst providers; and an evaluation system that is able to feedback into the information system creating a virtuous circle.

However, for this network of policy entrepreneurs, the role of the state in the governance of education is important to ensure against market failure, and to respond to equity concerns. PPPs are therefore the perfect umbrella, for whilst the underlying purpose and logics for education governance are secured by having the private sector provide education according to market logics, the state ensures the enabling policy environment, and most importantly, funding. As the Bank observes in their major text on PPPs:

...government guides policy and provides financing while the private sector delivers education services to students. In particular, governments contract out private providers to supply a specified service of a defined quantity and quality at an agreed price for a specific period of time. These contracts contain rewards and sanctions in which the private sector shares the financial risk in the delivery of public services (Patrinos et al, 2009: 1).

The legitimacy of ePPPs as a tool of governance in education development lies in its promise to resolve some of the intractable problems facing the development community. This includes *access* to quality education, a key part of the Education for All and Millennium Development Goals agenda, and poverty reduction. Yet, as the Bretton Woods Project (2010) shows, ePPPs have often not favoured the very poor, and nor have they (in the case of the IFC) favoured low-income countries.

By also promising to resolve issues of *quality* through the use of competition and incentives, and removing the state as the perceived major cause of poor quality education, these ePPPs are mobilised as significant tools in the art of governing the

education sector, including actors within the sector, such as teachers, parents, students, and so on. This version of ePPPs also re-structures the governance of the conditions of teachers' work, their labour contract, their incentives and rewards.

A key policy associated with the construction of ePPP consists of the liberalization of the education sector. Liberalization is intended to generate a regulatory environment conducive to the emergence of a more vibrant private sector in education and to help private education entrepreneurs to flourish. Liberalization crystallizes in the removal of regulatory barriers for private sector development such as the prohibition of foreign-owned private institutions, tariffs to repatriating surpluses coming from education activities, and limits on the ability of private education institutions – both national and international – to set tuition fees at market rates and to operate as for-profit entities (Fielden and LaRocque, 2008; Patrinos et al., 2009).

EPPP's imply the state moving away from direct education provision and focusing on funding (via vouchers or subsidies), but also on regulation and evaluation activities. Most ePPP experts consider that the public sector lacks the accurate incentives to operate services, and that public provision undermines competition and affects negatively the quality and the cost of education services (IFC, 2001). However, they do not support the pure marketization or privatization of education. They consider that the state should keep on regulating and funding education – although preferably through demand funding formulas. Indeed regulation is the main tool that states count on to generate an environment conducive to partnerships generating the expected outcomes (LaRocque, 2008). Moreover, under partnership frameworks, states should evaluate and control the performance of schools, and reward or punish them according to their results. Some also suggest that the state should publish the school evaluations to allow informed school choice by families. This way, *providing information* (i.e. developing an effective communication strategy to inform parents about schools quality) would become a sort of new state education function under ePPP frameworks.

In this sense, at the implementation level, the ePPP tools and procedures are very detailed. First, the creation of an autonomous quality education assurance agency is recommended. Among other functions, this agency should specify the outcomes that schools should achieve, and elaborate upon the corresponding performance indicators, but without prescribing *how* they should be achieved.³ In parallel, a “partnerships contracting agency” should be formed. This agency would be in charge of managing the dialogue between the private and the public sector and of the creation of a system of incentives for the agents involved in the partnership, in particular the private service providers. Afterwards, a bidding process for private providers must be organized. This process should be open, transparent and competitive, and the entry requirements for the private providers should be clear. Once the ePPP is at work, providers may receive higher or lower payments according to their performance. In

³ Decisions about staffing, curriculum, didactic, etc. should be taken by the schools in the exercise of their autonomy (LaRocque, 2008; IFC, 2001).

case they under-perform, they can be punished with the termination of the contract (LaRocque, 2008; IFC, 2001; Patrinos et al., 2009).

ePPP proponents also expect the state to modify its organizational culture by learning from the private sector at the managerial level. Specifically, they argue that public sector organizations should take advantage of their participation in partnership frameworks to learn from the organizational culture, qualities and values of the private sector, such as flexibility, openness to societal demands, incentives for innovation and efficiency, among others (IFC, 2001; LaRocque, 2008).

Despite the appearances, the ePPP proponents do not mask an anti-state discourse or, at least, do not hope to challenge the state authority in education. According to them, through the partnership process, the state should become thinner, but actually more powerful, as in the “rowing to steering” metaphor of Osborne and Gaebler (1992). By getting rid of “nitty-gritty” responsibilities (as one interviewee described direct education provision), the state can focus on the strategic control and planning of the education system. Summing up, ePPP are not anti-state interventions, but they require the redefinition of state functions in education. The ePPP proposal looks paradoxical in this respect. On the one hand, it strongly supports market solutions in education, but, on the other, state interventionism is seen as crucial to generate the conditions to make education markets work.

Whilst there are major criticisms that can be levelled at the way in which these policy entrepreneurs conceptualise education (as a private good/commodity), frame causes and issues (failing state, lazy teachers, lack of incentives), and use evidence very selectively (see also Verger, 2011 for a discussion of important aspects of this), for our purpose here, they provide an interesting window on efforts to promote a particular version ePPPs. Whilst it is clear this version of ePPPs is not always the same as PPPs which operate in other contexts, as a governance frame, PPPs now replaces privatisation. In our view PPPs is a metanarrative that is contributing to the transformation of the education sector, particularly with regard to the range of private actors and the concomitant rise of private authority.

The Rise of Private Actors in Making an ePPPs Industry

As Stephen Ball has shown (cf. Ball, 2007; 2008), the privatisation(s) of education are complex, multi-faceted and inter-related. Importantly, these processes involve the private sector in all domains of education, from making policy and brokering in new ideas which further embed the interests of the private sector, to the colonisation of the infrastructures of policy, and their global extension. Yet as Greve (2010) notes, whilst the literature is full of evidence on how governments act to promote PPPs, much less is known about the role of private actors, including corporate organisations, in the development of PPPs – and the ways in which they not only help rationalise, industrialise and professionalise this way of governing, but ensure that policy reversals are increasingly difficult.

A specialist (increasingly corporate) industry has sprung up around PPPs, particularly in those developed economies who have taken PPPs furthest (for instance, Australia, the UK, USA), and one which also services the UN system (Bull, 2010; Greve, 2010). This industry, which is increasingly exporting its expertise globally, includes a rapidly growing number of private actors, from Foundations, specialist PPP firms, global consultancy firms, banks, local consultants, think-tanks, dedicated websites, rapid response teams, and specialist law firms, who increasingly act as market-oriented sources of authority which “...establish rules, norms and institutions that guide the behaviour of the participants, and affect[s] the opportunities available to others” (Cutler et al, 1999: 4). This specialist PPP industry is then part of an emerging education services industry, that includes an expanding number of education consultants operating globally, education management organisations, as well as education foundations and philanthropists engaged in shaping education policy and practice (Saltman, 2010).

The involvement of foundations has been a factor in the rising trend of PPPs (Bull (2010: 479) though the current economic crisis may well curtail their influence. The move toward PPPs in the UN system, for instance, has involved significant contributions from foundations (such as the William and Flora Hewlett Foundation, Bill and Melinda Gates Foundation, United Nations Foundation), which in turn are often closely related to private business. However, as Bull notes, the nature of the contributions from both foundations and business varies, and in the case of private companies, financial contributions are often at the margin. It is therefore difficult to determine where the business contributes to the development goals of the UN, and where it simply seizes new business opportunities.

Foundations are also playing a highly influential role in education (Saltman, 2010). As Scott’s research shows, in the US “...they are pouring large sums of money into education reform, specifically targeting school choice, and privatization expansion” (Scott: 2009: 107). These new (and old) philanthropists, function rather like a *defacto* advocacy coalition in the US, one that aims to influence governments and influential educational leaders’ agendas for change: competition, standardisation, charter Schools, vouchers, and high stakes testing. They are powerful in that they are key, active, drivers of policymaking, research and advocacy. However, these newer philanthropists, such as the Bill and Melinda Gates Foundation, Microsoft, the Robertson Foundation, the Donald and Doris Fisher Foundation (Gap Clothing) or the Wal-Mart Family Foundation, are different to the older philanthropic organizations – such as the Ford, Carnegie and Rockefeller Foundation who all emerged at the beginning of the 20th Century. These newer ‘venture’ philanthropists, whilst emphasizing the improvement of education for poor and minority children, fund programmes and networks which utilize the language of the market for social exchanges, and expect aggressive returns on their investment (Scott, 2009: 114-116). Scott points to an important tension in this politics of philanthropy and advocacy. As she says: “Wealth that comes largely from favourable public policies is now directed into mostly tax-exempt foundations, where trustees and philanthropists directly shape

public policy for the poor without the deliberative process that might have been invoked over school reform policies were that money in the public coffers”.

A small cluster of large, powerful, global management firms also have large interests in ePPPs. These firms provide expertise on a range of aspects of education, from undertaking major policy and research work for governments (following much of this work being outsourced as a result of NPM reforms), to strategic management and quality assurance. In the UK, for example, KPMG (2011) is a partner with the City of London Corporation in a recently established City Academy in 2009. “KPMG led the development of the education vision, supported the development of a best practice approach in the provision of ICT facilities and back office functions, and assisted in the recruitment of excellent staff to ensure that the values were delivered” business (KPMG, 2011). KPMG is one of a small number of large companies (such as PricewaterhouseCoopers, Deloitte and Touche, Grant Thornton, Ernst and Young, McKinsey, the Hay Group) engaged in PPPs, and who control almost half of the world management consulting market (Saint-Martin, 1998: 329; Hodge, 2006: 100). Together, these firms have offices in more than 140 countries, spreading out across the world. Between 1980 and 2003, the figure rose 800%, from US\$3b to US\$120b in 2003 (Hodge, 2006: 99). Estimates for 2009/10 are put at US\$192b. All have major education portfolios. “For sheer expertise in the development of the legal frameworks concerning PPPs and the actual practice on the ground in leading countries, the global consultancy firms, given their superior knowledge of how PPPs are progressing, have few rivals” (Greve, 2010: 506).

Saint-Martin argues it was not just the rise of NPM that accounts for this increase. It is also the openness of governments to this kind of expertise (economic knowledge/accounting), and the permeability of the sector to outside experts: “...there is a close relationship between the development of a given field of social knowledge—in our case management consultancy – and the openness of state institutions to the use of that knowledge” (Saint-Martin, 1998: 325). And it is here the development agencies, such as the World Bank, IFC, Asia Development Bank, along with the corporate consultants, play a critical role in not only shaping the conditions for the delivery of education, but in constitutionalising market liberalism in the state’s policy and regulatory frameworks. The term ‘consultocracy’ is used to describe the power of consultants in advising government, and in shaping government policy. As Hodge (2006: 99) notes, the concern voiced through this label “...is that the interests of profit-maximising management consultants may become the key determinants of managerialist policies”. Given, that these consultants are, in some cases also the lawyers (cf. Lovells and Lee, 2009) and auditors (Greve, 2010) of PPPs, it is difficult not to conclude that some of these consulting relationships raise major concerns over conflicts of interest, transparency and accountability.

Then there are the vast and rapidly growing array of globalising education companies, ranging from education consultants such as Cambridge Education, education management organisations (for instance operating charter schools in the US, or Academies in the UK); education corporations like Laureate, Cisco Systems, deVry, Bridgewater, Edison Schools; and large conglomerate companies that have

major holdings which include ‘education businesses’, such as Apollo Global. All view the education sector as critical offering a range of education services investment potentials, as long as the conditions can be put into place to realise profit-making (see, for example, Ball, 2007; Saltman, 2010; Hentschke, Lechuga and Tierney, 2010). This means being able to pick over those parts of the sector (testing, tutoring, and so on) that will return the greatest value (Hentschke, 2007).

How might we assess the rapid growth in private actors and their interests in a sector like education? Cutler’s work on the legal implications of the blurring of the separation between private and public authority is compelling. Not only does she argue, like Gill (2003), that privileged rights of citizenship and representation are conferred on corporate capital, but that as the state divests itself of activity we traditionally associate with the public sector and in the public interest, we can see an upward trend in the management of national, regional and global affairs by economic and non-state/political actors (Cutler et al, 1999). Cutler calls this the rise of ‘private authority’; that is when an individual or organisation has decision-making power over a particular issue (p. 5). In the education sector, the state’s ceding of the power to make decisions (as to how to frame the regulatory and operational basis of education activity) to economic actors (such as education corporations, consultant firms, venture philanthropists), or those who do their bidding and bargaining (such as the World Bank, the IFC) represents a shift in authority from the public to the private realm, and from the national to the supra-national. This has significant implications for education, for societies and for democracy (Crouch, 2011).

Concluding remarks: Toward a Critical Account of PPPs in education

Whilst our concern in this chapter has been to focus upon governing education through ePPPs, with particular attention paid to the ways in which a global policy actors and private consultants are reshaping the development domain, it is evident that as Ball (2007) has shown, there are seismic shifts taking place in the education sector that warrant detailed research and public discussion. As he notes of the UK: “The ‘reform’ of the public service sector is a massive new profit opportunity for business... the outsourcing of education services is worth at least £1.5 billion a year” (Ball, 2007: 39-40). Yet what is particularly important here is the way in which a particular conception of education is being globalised, and governed, and that far from being a mechanism to slow down the rate of economic liberalism, it would seem that ePPPs have enabled its rapid advance, so that the private sector is now deeply embedded in the heart of the state’s education services at all levels, from policy and research work to delivering learning in classrooms.

Here we are reminded of Santos’ definition of globalization, as “...a process by which a given entity reaches the globe by enlarging its own ambit, and by doing so, develops the capacity or the prerogative of naming as ‘local’ all rival entities” (Santos, 2004: 149). Viewing the globalization of public-private partnerships in education in this way, as a localism seeking to become hegemonic, reminds us that

ePPPs have their genesis in a particular place and time. The globalization of public-private partnerships in education is one (albeit very important) outcome of processes associated with neo-liberal economic globalization: as arising from the increasing porosity of institutional and national boundaries; the collapsing of the divide between the state/public and other private, non-state actors; and the explosion of the number of actors and projects operating on, and constitutive of, global and regional scales. As we can see, these dynamics have resulted in a structural transformation of the national, as the state internationalizes, and as the global penetrates the national (Mittelman, 2000; Sassen, 2006). EPPPs in education are therefore mechanisms and outcomes that are transforming the sector.

These transformations have major implications for the education-state social contract, and in particular for education as complex social good. Such developments demand strong questions, and robust answers. For instance, who is engaged in the *framing* of the problem of education governance, and why (and by whom) are ePPPs advanced as *the* solution? What are the effects of these policies and programmes on education opportunities and outcomes in a distributional, recognition and relational sense? And, on what basis do different kinds of actors (individuals and organizations, public and private, state and non-state) come to participate, or not, in these initiatives, and how do they experience the consequences that follow.

Such questions bring to the fore the implications of weakened central control by government, and how and where concerns over process *and* output legitimacy might be addressed. They also draw our attention to the ways in which control over epistemic resources (Jayasuriya, 2008: 4), such as we see with the international agencies and consultants when they reshape the regulatory architecture of the state, allows certain actors to determine the nature and form of the institutional setting through which accounting takes place. The globalization of PPPs, as a tool through which to *govern* education *sectors* and *subjects*, needs to be closely examined. In relation to the use of ePPPs in governing the education sector, we need to be wary of viewing partnerships as simply technical tools. This they are not. EPPPs are fundamentally about social and economic relations (Weihe, 2010); they involve questions of power, authority, legitimacy, accountability and equality, and not just market-based choices and efficiency (Jayasuriya, 2008). In relation to the *subject*, we repeat Stoer and Magalhaes' (2002) point; that when the new social contract between the state and its citizens is mediated through market relations, then it is 'the subject as economic consumer' who is being constituted, and *not* 'the subject who operates in the public/political realm'.

Fraser's (2005) work on social justice is particularly helpful here. Fraser develops a three-pronged approach to social justice - redistribution (economic), recognition (cultural) and representation (political). She starts from the position that justice means parity of participation. This requires social arrangements that permit all to participate as peers in social life (Fraser, 2005: 73). Fraser argues for a third dimension of social justice, chiefly concerned with the political - that is *representation* (p. 74). As she notes, the dynamics associated with globalization have challenged the Keynesian-Westphalian framework, raising important questions

around the nature of the national state's jurisdiction, the decision rules by which it structures contestation, *who* can make claims, and *how* such claims are to be adjudicated. In other words, membership and procedure are fundamental to the political dimensions of social justice.

So how do PPPs in education fair in social justice terms? Clearly we cannot make sweeping, or broad, *a priori* judgments; that is, that in *all* cases *all* public private partnerships are *per se* a good, bad, or neutral policy solutions. Much is dependent on how, and by whom, the key categories—public, private, partnership, and education—are created, represented and materialized; how they order social life; how they enable or disable participation in social life; and how forms of accountability are established. As suggested in this chapter, the frame adopted by global ePPPs entrepreneurs, is based on market-based logics and forms of accounting, rather than publicly oriented ones, wherein the only viable mode of recognition is being a consumer, rather than a social and political subject. This represents an impoverished view of education as social activity. It also undermines the ability of social subjects to be capable, reflexive, actors by defining them primarily as economic agents whose actions are exclusively framed in relation to markets.

Finally, as Jayasuriya argues (2008), when governance is located in multiple sites, both the governance of educational PPPs, and PPPs as a tool of governance over the education sector, becomes problematic. Who is the relevant authority? Who is affected by decisions of various governments, transnational firms, foundations, international agencies or consultants? From whom should those affected by decisions seek account? Is the managerial discourse on risk taking appropriate for the distribution of a public good as education? Does managerial governance, with its focus on outputs and efficiency pay sufficient attention to the complexity of education processes? We hope our article has contributed to opening up this area of inquiry, and provides resources through which to engage others in a debate on this crucially important topic.

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Organization	Year	Title	Authors
ADB and WB	2000	<i>The New Social Policy Agenda in Asia</i>	Y. Wang (editor)
IFC	2001	<i>Handbook on PPPs and Education</i>	N. LaRocque, J. Tooley and M. Latham
CfBT	2008	<i>Toolkit on PPPs and Education</i>	M. Latham
CfBT	2008	<i>PPPs in basic education. An International Review</i>	N. LaRocque
WB and IFC	2008	<i>The evolving regulatory context for private education in emerging economies</i>	J. Fielden and N. Larcoque
IFC-Edinvest	2009	<i>Public-Private Partnerships in Education</i>	M. Latham
WB	2009	<i>The Role and impact of PPPs in education</i>	H. Patrinos, F. Barrera-Osorio and J. Guáqueta
UNICEF and ADB	2011	<i>Non-State Providers and Public-Private Partnerships in Education for the Poor</i>	N. LaRocque

Table 1. Core documents on ePPP (chronological order)

Source: Verger, 2011