



The 'business' of state schooling in Aotearoa¹

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INTRODUCTION

Not so long ago, public schooling in Aotearoa, with few exceptions, was state-funded and state-provided. That is no longer the case.

We have known for many years that the early childhood and tertiary education sectors have been managed marketplaces in which public and private providers compete for attendance and tuition payments from government, and are incentivised to enrol maximum numbers of learners.

However, the last ten years in particular have also seen a marked increase in private actors in state schooling, both for-profit and not-for-profit. These private actors are called 'policy entrepreneurs' or 'edu-preneurs' in the scholarly literature. The policy space they operate in has been deliberately created by government in order to open up state schooling to the private sector. There are two main reasons for this: first, the ideology that business-like practices make state services more efficient; and second, the assertion that the state can no longer afford to meet its statutory obligation to provide universal, free public schooling.

So, National-led government politicians now no longer refer to full funding of state schooling, but to 'partial subsidy', 'public private partnerships' (PPPs), 'social investment' and 'user pays' to justify the gradual but inexorable withdrawal of government. Indeed, the current government has gone even further and claimed that it is 'inequitable' for government to provide different levels of subsidy to the public and private sectors, and in doing so has completely blurred the former clear distinction between public and private education.

There is of course a very simple alternative to growing privatisation – increase general taxation to cover the costs of a high quality, free public education for everyone – but this is said to be politically and popularly unacceptable. Taxes 'cannot' increase, therefore funding must be capped, and state services either reduced or opened up to the private sector to fill the gap.

THE NORMALISATION OF 'USER PAYS' AND PROFIT SEEKING

We see user pays by parents and whānau normalised in louder and louder demands for 'voluntary' donations, digital stationery packs, enhanced

¹ This piece first appeared in *Ipu Kererū* the blog of the New Zealand Association for Research in Education, and can be found at: <https://nzareblog.wordpress.com/2017/08/23/business-of-state-schooling/>. The editors gratefully acknowledge the blog editors and the author for permission to reprint this piece.

curriculum experiences, and examination fees. We see profit seeking in PPP venture capital consortia bidding to build and run new state schools over several decades; and we see both venture philanthropy (e.g. corporately sponsored computers in schools' initiatives) and charitable giving (e.g. government subsidised food and clothing in schools programmes) used to paper over the cracks in the state system and provide safety nets for the one in four children who live in material hardship and/or income poverty.

This is, I'm sorry to say, no dystopian future, but the sad here and now in 21st century Aotearoa, as the following three examples illustrate.

1. In late 2015, the Ministry of Education (MoE) issued a request for proposals (RFP) via the Government Electronic Tendering Service (GETS) for an investment partner to contribute \$4-8M to 'modernise' e-asTTle. Under the terms of the RFP, the MoE would retain the right in perpetuity to use e-asTTle for New Zealand schools while the investment partner would have the right to generate revenue by charging New Zealand schools for e-asTTle tests and to develop an international version of the tool to market overseas. AsTTle was originally a publicly funded, public good initiative.

2. In 2011, the Manaiakalani Education Trust was established with a mix of four educator and non-educator trustees, the explicit purpose of which was to find external stakeholders to provide learning infrastructure and programmes to benefit children and families throughout the Tamaki community. The Trust received foundation sponsorship from ASB Community Trust (now Foundation North) and Spark Foundation in 2012. By 2015, the Trust had secured NEXT Foundation funding to scale-up its technology-enhanced learning and professional development model nationally, through the Manaiakalani Outreach venture, and from Samsung Electronics. Families and schools are responsible for meeting the operational costs of their participation in the Outreach scheme. Manaiakalani too was originally a publicly funded, public good initiative.

3. Teach First New Zealand Ako Mātātupu (TFNZ) is a New Zealand registered charitable trust that since 2011 has provided a two-year leadership development programme for high performing recent graduates in the form of employment-based initial teacher education in low decile schools. A feasibility study for TFNZ was funded by matching grants in 2010 from two private grant-making foundations, the Aotearoa Foundation in New York and the Tindall Foundation in Auckland. Until this year, TFNZ has operated as a partnership between the University of Auckland, the Ministry of Education and Teach for All, which is the New York-based global peak body for 35 similar programmes internationally. TFNZ's founding partners are Aotearoa Foundation, ASB Bank, Chapman Tripp, Deloitte, Harry Singer Foundation, Hutton Wilson Nominees (NEXT Foundation) and Woolf Fisher Trust. From 2018, it will operate as a collaboration between TFNZ and Mindlab at Unitec.

COMMON SENSE OR A STEP ALONG A DANGEROUS PATH?

Some might argue that there are practical limits to the progressive ideal of universal, free state schooling, and that it is only common sense to allow registered charities, non-government organisations and private companies to provide schooling services where they either have greater expertise, an

altruistic mission, or are prepared to take the risk of major financial investment. The trouble with this argument is that it can also lead very quickly to the privatisation of schooling policy making and schooling policy evaluation. Overseas jurisdictions that have adopted market models of public schooling delivery have also seen the privatisation of state schooling policy development and decision-making about its effectiveness—and a revolving door for so-called schooling policy 'experts' who move seamlessly between the public and private sectors, first being paid to make policy, and then being paid to implement or evaluate what they made. In short order, community 'user pays' becomes corporate 'funder says'—and those who cannot pay, end up with no say.

For those of us who are lucky enough to be able to choose whether or not to pay, we have to ask ourselves: in whose interests we are enabling the creeping privatisation of state schooling?