The New Global Governance Paradigm in Education: Public-Private Partnerships and Social Justice

Susan Robertson
Visiting Research Fellow, IS Academie
University of Amsterdam
S.L.Robertson@bristol.ac.uk

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On 10th December, 2008 the world will mark the 60th anniversary of the *Universal Declaration of Human Rights*. This was a landmark agreement forged in the aftermath of one of the bloodiest events the world had witnessed: the Second World War.

This ‘mother of all wars’ had catapulted the world into crisis. And in the soul searching hours after, with the embers of destruction still burning, the right to education was seen as a key means for preventing such catastrophic events from again being perpetrated. Encapsulated in Article 1 of the Declaration – ‘reason’ and ‘conscience’ through education were viewed as fundamental capabilities necessary for building a new world order; one where each person might act towards another in a spirit of ‘brotherhood’.

Now my intention is not to use this anniversary to romanticize ‘education’ in any way. All of us here tonight are only too well aware that education systems can be mobilized in the name of political projects that ride rough-shod over basic human rights, that can advance nationalistic, xenophobic projects, and re/produce inequality and ‘difference’ around class, gender and racial relations.

However I *do* intend to use the anniversary of the *Universal Declaration of Human Rights* to think about the current state of affairs in education around the globe (particularly developing countries); a state of affairs, I will argue, that is in great danger of taking us further away from, rather than closer to, the possibilities of extracting the emancipatory potentials of education for the realization of those
capabilities that might contribute to dignity, reason, conscience and brotherhood/sisterhood. Let me put my case.

Tonight I will argue that since the 1990s – two major globalizing trajectories for education are being discursively and materially advanced: on the one hand, (arguably – see Chan, 2006) education as a human right under the Education for All/Millennium Development Goals banner; and, on the other, education as an emerging market and new services sector. These two trajectories are now being brought together in a new agenda for the global governance of education by a coalition of global actors that includes influential nation states, multilateral institutions, foundations, transnational firms, and NGOs. Let me turn then to the first main trajectory – the Education for All Agenda.

**Trajectory 1 – Education as a Human Right/Education for All**

In 2000, world leaders endorsed two basic landmark commitments to education – the six goals of Education for All\(^1\) and the primary education objective of the broader gauged Millennium Development Goals. By anyone’s reckoning, the scale of the problem of providing education for all was, and continues to be, huge.

Many of you here are well aware of the nature and scope of the problem. However let’s briefly remind ourselves of it. Despite the advances throughout the world in increasing the numbers of children in schools, half a century on from when the Declaration of Human Rights was first made, more than 115 million children remain out of school (14% of the world’s total) whilst half of this number live in countries characterized as ‘conflict afflicted fragile states’ (CAFS).

Added to this (taking issues of quality aside), 25% of those who enter primary school do not complete, whilst figures for the participation of girls continues to remain unacceptable. And, while there has been an increase in the overall enrolment figures

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\(^1\) The six EFA goals are: (i) expand early childhood care and education; (ii) provide free and compulsory education for all; (iii) promote learning and life skills for young people and adults; (iv) increase adult literacy by 50%; (v) achieve gender parity by 2005 and gender equity by 2015; and (vi) improve the quality of education.
of primary aged children, it is unlikely that the MDG of universal primary education for all will be realized by 2015.

These children are concentrated in the least developed countries of Africa and Asia (The State of the World’s Children, 2008). If we take Sub-Saharan Africa, where there are 108 million primary age children, only 91 million are enrolled, whilst those excluded are concentrated in a few countries in SSA – Congo, Ethiopia, Tanzania, Burkina Faso, and Niger. Together they account for nearly 70% of the number not enrolled. These are also the poorest countries in SSA, with an average GDP per capita of $US300. Observers note that the real figures are much higher, in that there are a large number of repeaters and over-age pupils included in these figures.

According to recent estimate, 67 countries will not reach UPE by 2015 (Glewwe and Zhao, 2006). Moreover, some worry that even some of the 30 countries projected to be on track to achieve UPE by 2015 will not do so. The projection is based on a maintained economic and political commitment by both rich and poor countries that may not be forthcoming. Add to this picture is the fact that UPE goals and promises have been unsuccessfully made every decade since the 1960s.
A primary issue for realizing the EFA/MDG goals is one of extreme poverty (aside from conflict), as Fig 2 demonstrates. While there has been an overall improvement in the numbers living under $1.00 per day since 1990, figures for SSA show that there is a very long way to go. This makes the task of realizing UPE, without significant international aid, impossible. An estimated $US10billion would be needed globally per year to enable those economies with seemingly intractable problems in the global economy to reach UPE by 2015. Yet, as recently as 2007, Save the Children observed that only $3 billion had been committed by donor agencies, resulting in a significant financial shortfall. This shortfall is related to the issue of policy priority for the developed countries. As Klees (2008) argues that aid for development sustainability is actually a policy choice.

So how might we resolve this seemingly intractable human tragedy, if we can permit ourselves to look at the problem with this kind of modernist lens (access to schooling)? One solution that has been promoted over the past decade is to open up
the education sector to a wider array of interests – in other words to move from a focus on government to that of governance, with the state viewed as the regulator in the last instance. This way of thinking about the relationship between the state, the market, community and households is a familiar enough one to many of us who have lived with neo-liberal policies for at least two decades, if not longer. It is also the position being advocated by powerful interests in the developed economies (here I refer to mercantilist interests in the US, EC, Australia, New Zealand, Singapore) who have used the World Trade Organization (established in 1995) to advance that position (Robertson et al, 2002). Neoliberal policies have been crucial to advancing the contours of what we have now come to call ‘globalization’: the freer movement of (some) capital, ideas, goods, services and people around the globe facilitated by advances in new digital technologies, new forms of flexible production, the development of new forms of multilateralism, (Mittleman, 2004), the ceding of crucial elements of nation/state sovereignty to the individual and to other scales of rule, and so on.

Trajectory 2 – New Global Governance Mechanisms

Now the mechanism at the heart of this new governance agenda, and which also ties the two globalizing trajectories together, has a significantly expanded role for the private sector, particularly the for-profit sector. This role is to be realized through innovations in the governance of education, such as for-profit provision, the promotion of public-private, and multi-stakeholder partnerships. According to the UN (2004) ‘Unleashing entrepreneurialism’ will stimulate access to education, whilst influential writers, like C.K. Prahalad (2005), argue that we should stop seeing the poor as victims, or as a burden, and start recognizing them as both resilient and creative entrepreneurs and value them as conscious consumers. In other words, to use Prahalad’s words: “…there is a fortune to be made at the bottom of the pyramid” (BOP) (that is, the 4 billion living under $2.00 per day).
Education is also being conceptualized by agencies like the International Finance Corporation, the private investment arm of the World Bank Group, as a new ‘emerging market’ (International Finance Corporation, 2001), whilst the private sector is ‘the new untapped opportunity’ for a myriad array of new I/NGOs such as the Academy for Educational Development, (Ingram et al, 2006), the United Nations Foundation (UNF), and Public Private Partnerships Foundation. For global accounting and consultant firm, KPMG, it is ‘the new way forward’ (KPMG, 2007), whilst our familiar friend, the World Bank, argues that opening up education to the market and for-profit firms is the means of enhancing ‘the supply as well as the quality of human capital’ (Patrinos and Sosale, 2007) where clearly the state has failed.

Now I want to signal quite clearly that I am not against the private sector per se being involved in education. I am very familiar with the long history of ‘private’ education in many countries. But is not my concern here. Rather, it is with the way in which ‘for-profit/ chains/transnational firms’ (e.g. Cisco Systems, Laureate International, CfBT) and local entrepreneurs are being mobilized under the banners of ‘education for all’, public private partnerships, and ‘global civil society’.

At this point it is commonplace to turn our analysis to the usual suspects, the World Bank, the IMF, and other allied Banks. However, this would be to miss the enormity of the shift that has occurred in the global governance of the world economy. Instead it can be shown that one of the crucial conditions enabling this agenda to move
forward so rapidly was the radical restructuring of the UN itself, beginning with Kofi Annan’s appointment as Secretary General of the UN in 1997. Under his stewardship, Annan charted a course for the UN, orchestrated around the Millennium Development Goals that writer Paul Cammack has described as nothing short of ‘a new imperialist project’ aimed at exporting western style capitalism around the globe in the name of development (Cammack, 2007: 1).

These developments have had a profound affect on the UN institutions, including UNESCO. It has bought the UN more closely into collaboration with those multilateral institutions, like the World Economic Forum, OECD, the World Bank, the IMF and World Trade Organization, who have collectively been advancing and constitutionalizing market liberalism over the 1990s. We can call the creation of this new global governance regime the ‘multilateral marketization of education’.

‘Multilateral Marketization of Education’

‘Multilateral marketization’ of education refers to the way in which a coalition of global actors have advanced private sector (governance) solutions – such as public-private partnerships/multi-stakeholder partnerships/emerging markets – to a key public sector problem – access to education/access to quality education across the globe.

However, in this case, there is no regulator of last resort, as we might have in the case of nation-states because of the absence of a global polity (Held and McGrew, 2002). Instead, we have various iterations of soft power, as in the case of corporate social responsibility at the heart of the UN’s Global Compact, or the market as its own regulator (as in the case of ‘free markets in education’ crusader James Tooley (1999), or the IFC/CfBT versions where regulation occurs through the disciplines of the market: loss of brand, declines in profit, exit and loyalty, and so on).

Before turning to the range of governance relations that now characterizes this new coalition of interests, let us look briefly at what is at stake. From the 1980s onward, public sectors in national economies, such as education, were increasingly viewed as potentially profitable spheres of economic activity especially for the developed economies facing the consequences of the movement of goods production to the factories of the world: Japan, Malaysia and more recently China, Indonesia, Brazil. Industry estimates are that education is a three trillion dollar business, and if the BOP
could be bought into the frame as an emerging market, then this would open up education to the world of global business. However, for most of its modern history, education has been regarded as a decommodified activity, strongly anchored in the view that education is a public good/ a public service/ a human right/ and the responsibility of modernising states.

**Education meets Homo-Economicus - Again:** The World Bank’s earlier efforts in the Washington Consensus Structural Adjustment phase, to encourage families in low income countries to pay for the private returns to them from education (RoR), not only resulted in significant drops in the numbers of children (especially girls) in school, but there was widespread public condemnation.

The Bank’s reinvention of itself in the 1990s (as a Knowledge Bank), was aided by a new array of concepts (in large part driven by the image problem that privatization now faced), that included the idea of ‘public private partnerships’ (Linder, 2000). The idea of ‘partnership’ enabled neo-conservatives, neo-liberals and also progressives to commit themselves to this new governance agenda. Linder suggests that something more was also going on: that the sectors themselves (such as education, technology research and development) were being transformed; public sector managers were having to take on new tasks – such as leveraging private capital for policy initiatives. The rebirth of the ‘partnership’ notion also reflected larger changes in the ideological and conceptual landscape of governance – such as Blair’s modernizing government in the UK, the re-engineering of government in the US through management, and the collapse of the artificial binary of public and private that had, for so long, been naturalized. In combination, this opened up public discourse on the distinctive nature of institutional realms, stimulated new ideas about social orderings, and emphasized structural dimensions such as flexibility and innovation—reinforcing partnership ideals (Linder, 2000: 39).

So, despite the widely held view that the World Bank had softened its hard-edged market-based policies, it is difficult to see that this is the case. The more recent iterations of World Bank policy, for instance its 2003 blueprint for the financing of primary and secondary education - *Lifelong Learning for the Global Knowledge Economy*, insists on public-private partnerships as the key mechanism for financing education, with families and the state (in a repeat of the old RoR formula) financing access to education through a combination of personal loans and development aid.

In *Mobilising the Private Sector for Public Education*, the WB’s Harry Patrinos and
Shohbhana Sosale (2007: 2) argue that we can make services work for the poor by contracting these services out to the private sector – an argument that sits well with the WTO global trade negotiations around education (Verger, 2008). The WB report then examines a range of contracts that it argues demonstrates that the private sector can be mobilized to serve the poor.

**Education as an ‘Emerging Frontier Market’:** It is the International Finance Corporation, the not so well known cousin of the International Bank for Reconstruction and Development, who has assumed the role of ‘spearheading the drive toward markets in education’. The IFC is currently the largest multilateral agency funding private education in the world.

Since the late 1990s, the IFC has taken a keen interest in the education sector. In 2001 it published its *Education Sector Strategy* (with advice from the Education Sector of the World Bank). According to the IFC, the role of the private sector lies in both the provision and financing of education. This role is expected to grow, with increased pressure for more education as a result of the Education for All initiatives, and as human capital formation is advanced as a result of knowledge economy policies.

From 2000 to 2007, the IFC provided $237 million in financing to 37 private education projects in 20 developing countries. The projects had a total value of $839 million. Its current medium term investment strategy is to open up ‘frontier markets’ in Africa and the Middle East (Standard and Poor’s, 2007). However, rating agency Standard and Poor’s 2007 Annual Report on the IFC has suggested the most profitable and secure investments are likely to be in the higher education as opposed to the schooling sector.

Over the past decade the International Finance Corporation has also been working closely with free-trade advocates, like UK academic Professor James Tooley in funding research in poor communities in India, Africa and China, and Ed-Invest. According to Tooley, interest in private sector education is motivated by three major concerns. These are:

- the need to restrain public expenditure and to find alternative sources of funds for the provision of education
- doubts about state intervention in the production of goods and services and the purported benefits of privatization applied to the education sector; and
the perceived threat to equity, access and social justice by private education (Tooley, 2000: 30).

Tooley’s argument, backed up by ‘research evidence’, is that there is currently a very significant percentage of education being delivered by private-un-aided and mostly unregistered schools in both Africa and Asia, that this education is paid for willingly by the poor (as BOP consumers), this education is of higher quality than in state-funded schools in similar locations, pupils are performing better, and that this education is cheaper as teachers’ wages are significantly lower. This is despite the fact that in the case of India it is illegal to run–for profit schools. Tooley’s research is then used to make the case that private firms, especially those that have reputation and therefore customers loyalty to secure, will regulate their own behaviour, including investing back into the school in order to ensure that they stay competitive. Tooley argues that the profits to the firms delivering education in India – of around 25% - made the sector one that was worth investing in over the longer haul (1999). And he observes, “private companies can help solve the problems of inequity because the prospect of profit creates an incentive to replicate high quality educational provisions” (Tooley, 2000: 1).

In response to Tooley, Keith Lewin (2007) has argued that in a rights-based approach to education, as we see with EFA, it is the nation state that is, ultimately, responsible for ensuring it acts as a provider of last resort. Lewin also argues that unsubsidized providers cannot serve the poor and the poorest if they must depend on the revenues from the communities they serve. A simple calculation shows that families might have to spend more than half of the family income on education. This would not only be untenable, it would also lead to practices that accompanied the World Bank’s RoR analysis; the prioritization of some children in the family over others accessing education. So, while there are clear constraints on public expenditure at present, the long-term game plan must be to look at ways in which states can fund education, or managing the coordination of education as a public sector and public service.

Multi-stake-holder partnerships and the Global Compact: A third kind of partnership tool being advanced under the label of public private partnerships is what is called multi-stakeholder partnerships (underpinned by the idea of learning networks developed by Harvard academic and UN Special Advisor - John Ruggie)
being advanced by the United Nations, and within the education sector, through UNESCO and its affiliated institutions (IIPE).

The UN’s approach bears considerable scrutiny, for it is here that we see a revolution that has taken place within the UN under Kofi Annan’s appointment. Within a month of being appointed, Annan traveled to Davos to meet with the World Economic Forum, where he outlined his plan for restructuring the UN. This restructuring took place over a two year period (including bringing in Mark Malloch Brown2 – World Bank Vice President and Director of External relations into the job of UNDP administrator). Within UNDP, Malloch Brown set out the agenda that he had promoted within the World Bank under Wolfensohn – a managed market economy.

Under Annan, a flood of reports were issued (UN 1997; 1999; 2001; 2002; 2004a; 2004b; 2005; 2006). In 1999 the Global Compact was launched; in 2000 Millennium Development Goals were adopted; the Brussels Declaration and Programme of Action were agreed in 2001; in 2001 the *Road Map towards the implementation of the UN’s Millennium Declaration* was outlined, while the Monterrey Conference on *Financing for Development* was held in 2002. By 2005 *Unleashing Entrepreneurship: Making Business Work for the Poor and Investing in Development* had been tabled.

*Strengthening the United Nations*, therefore, meant making the UN not only a more effective multilateral organization, but its multilateralism increasingly embraced the market through closer collaboration with the other Bretton Woods institutions, as well as partnerships with the private sector to realize the Millennium Development Goals (UN, 2002: 7). In Annan’s words:

> We live in an international system in which influence is also increasingly wielded by non-State actors, such as civil society organizations, voluntary agencies, interest groups, private companies, philanthropic foundations, universities and think tanks and, of course, creative individuals. To bring change today, it is necessary to mobilize the diverse support, and cultivate the ideas, of a diverse network of non-State actors. The United Nations has been trying to learn this lesson. ….My own Global Compact initiative has engaged hundreds of companies from around the world in the effort to promote

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2 Cammack reports Malloch Brown as a completely self-confessed free -trader
corporate citizenship and universal values in respect of human rights, labour rights and the environment (p. 7).

In short, over this period, Annan was able to advance an unashamedly pro-capitalist project into the development arena to deliver the MDGs that was little different to the stance of the World Bank or the IFC.

The transformation of the UN was also felt in the education sector of the UN. UNESCO, has thickened its relations with global firms and foundations. Cisco Systems and the Hewlitt Foundation are now major partners with UNESCO. In 2007, UNESCO announced that it would join forces with the WEF – and launched a new programme *Partnerships for Education (PfE)* – “…a global coalition for multi-stakeholder partnerships for education (MSPE’s), including the private sector, to advance progress toward the objectives of Education for All. In 2008 the International Institute for Educational Planning (IIEP), and under the stewardship of Mark Bray, launched an exploration of the tools that could be developed to help this along. The private sector, we are assured, “…can provide expertise, synergy, resources and response to needs” (Draxler: 2008,15).

**Regulating Global Capital under Conditions of Thinned (or Non-Existent Global) Governance Accountability Mechanisms**

The IIEP Report advancing UNESCOs *New Partnerships for Education* (Draxler, 2008: 23) states that the evidence and analysis concerning the functioning and effect of partnerships is not extensive. This is true. However, the evidence that we have to date (including from the health sector) suggests that there are clear ‘democratic’ and efficiency dangers ahead, and such dangers are likely to be more acutely felt when we consider the absence of global mechanisms of accountability.

In 2006 I attended a major meeting within UNCTAD in Geneva, which have been tasked with examining the ‘trade’ and ‘access’ to agendas might generate mutual synergies, especially through PPPs. In other words, could opening education up to the trade agenda deliver EFA. My view at the time, and one that the OECD agreed with (see UNCTAD proceedings of the conference), was that all of the evidence we had (and there is not a great deal around) on PPPs in education (UK) was that it was extremely difficult to write contracts robustly enough in order to protect the public
interest. Since then we have seen more research produced on this issue in the UK and Europe (see report of the European Investment Bank – 2004).

The research in the UK tells us that we had seen ‘commercial sensitivity’ invoked by firms to remove their books from public scrutiny, and this was when they were in receipt of public funds. The comforting ‘regulator’ in the last instance was constantly being violated. There is little evidence, either, that PPPs have delivered either more efficient/effective services (e.g. better buildings for less) or that it has reduced the drain of education on the public purse. Instead, an analysis of the education industry by Stephen Ball (2007) charts, in considerable detail, not only an epistemic shift in the governance of education, but a litany of deals brokered, money squandered, contracts abandoned, and services not rendered.

This raises important issues for developing contexts where robust governance regimes are weak to non-existent. In other words, is difficult to see how the activities of local entrepreneurs or international firms might be regulated in ways in which it protects young learners and their families. Families who fail to pay loan replacements are vulnerable to pressure from debt collectors. The lack of consumer protection structures create a major vacuum in rights, even if this time we see these rights to education in terms of the rights of the consumer.

In a sympathetic review of the Global Education Initiative (GEI) published in 2007 for the World Economic Forum (on the Jordan, Rajasthan, India and Egypt initiatives), Harvard University Professor Tom Cassidy points up major issues surrounding: ongoing monitoring and evaluation, sustainability and scalability, the need to recruit appropriate partners; acknowledging the value of local partners (p. 24); and, moving from a ‘tendering’ to a ‘partnering’ mentality (p. 25). Cassidy also points out that many of the partner-investors had an unsophisticated view of learning and the changes that might be required to bring this about:

“Changing what goes on in schools, and particularly changing teaching practices in classrooms, is a much more complex and challenging undertaking that is going to take more time than partners often believe” (Cassidy: 2007: 26).

At the global scale, and in the face of an absence of regulatory power—aside from norms advanced under the Global Compact such as Corporate and Social
Responsibility (CSR), it is difficult to see why it is that the story might be any different to that at the national level. There is no scrutiny of activities, and no checks, or attempts to verify claims (Gregoratti, 2007). The regulatory mechanisms of the WTO and the World Bank, such as processes of dispute settlement and so on, are not capable of resolving these issues, given their very structure. Nor are they capable of advancing the interests of the developing countries, as Cutler (1999), Glenn (2008) and others has pointed out. Global market multilateralism in education advances in the face of a significant democratic deficit in terms of a politics of representation (Robertson, 2008).

The view that the private-for profit sector is always more efficient, always less corrupt, and somehow always more ethical, is difficult take seriously. However, this is the very strong tone running through the partnership literature. And, yet, the insight of Karl Polanyi in 1943 was that a ‘double movement’ was required; a competitive profit-seeking logic that was mediated by a power (state power) that could both protect its citizens from an unfettered capitalist logic, on the one hand, and on the other, a mechanism (the state) to protect individual capital from its own logic. There is no evidence that such a regulatory body exists at the global scale – leading Mundy (1998) to observe that this sets up the conditions for world disorder.

A further major issue concerns the constitution of the poor’s access to education as a consumer good, and not a human right. This 4 billion layering of those who live on less than $2.00 a day at the bottom of the pyramid are no doubt very attractive to investors and traders in the search for new emerging markets. Capital does not care if you are rich or poor, black or white: it only cares that you are indebted, and can pay.

So, can they have dignity in consumerism? For Santos (Dale and Robertson, 2004), this is little more than social facism; an exploitation of the precarious circumstances of the poor – where the logic of capitalism prevails over the emancipatory possibilities of learning how to know our world in a different, more reflexive way.

So, let me conclude now with some questions, and a moment of reflection? The question must surely be: How can we ensure that the most excluded are those who have access to education on the same basis that many of us in this room had – as a right and not a consumer good? And, how can we work toward policy choices that
prioritize sustainability? Surely we can do better than the solution on the table at present.

Finally If my argument is correct, then in social justice terms, the new global governance of education for development leaves a great deal to be desired. This new structuring of the global governance of education represents a violation of the spirit of the 1948 human rights declaration and a deep social injustice. It offers up the possibility of a human right (EFA) yet turns a blind eye to issues of redistribution, the impacts on recognition, and the limitations imposed by the absence of spaces for representation. The capability it promises is that of being a consumer, nothing more, nothing less. *Education For All: For A Profitable Return for Some!*

References


