

*NW 23 seminar 23. March 2021*

# **Sedimentation and/or re-politicization of a highly marketized education system**

Lisbeth Lundahl and Linda  
Rönnerberg with comments from  
Pia Seppänen and colleagues  
from HOPES project



# HOPES project

**Hollowing Out of Public Education Systems? Private Actors in Compulsory Schooling in Finland, Sweden and New Zealand**

Funded by Academy of Finland (2017 – 2022). PI Pii Seppänen, Centre for Research on Lifelong Learning and Education (CELE) University of Turku, Finland

HOPES investigates privatization of compulsory education in three small countries with historically strong public education systems.

Research teams: **Finland:** Pii Seppänen, Sonja Lempinen, Iida Kiesi, Nina Nivanaho; **Sweden** Linda Rönnerberg, Lisbeth Lundahl; **New Zealand:** Martin Thrupp, Darren Powell, John O'Neill, Philippa Butler.

# Layout of presentation

**A brief introduction, points of departure**

**Marketization of education the Swedish way**

- marketization and privatization of education: the process, the promotion by the state and features of the Swedish free-school branch.
- Support and resistance
- The current situation: continued sedimentation and signs of re-politicization?

**Conclusions and reflections**

- Including comments from the Finnish colleagues

**Discussion with the audience**

# Points of departure

The increasing economic penetration of education in Europe and globally for the last 30 – 40 years.

Jessop's cultural political economy (CPE) – including the aspects of sedimentation and re-politicization – as a theoretical tool

Sweden serving as an example of far reaching, state-supported privatization and marketisation of education that has become institutionalized within a short period of time (in particular the 2000s). Do we see any signs of reconsideration or correction?

The basic question: is it possible to change a strong market economy of education, or is there a point of no return?

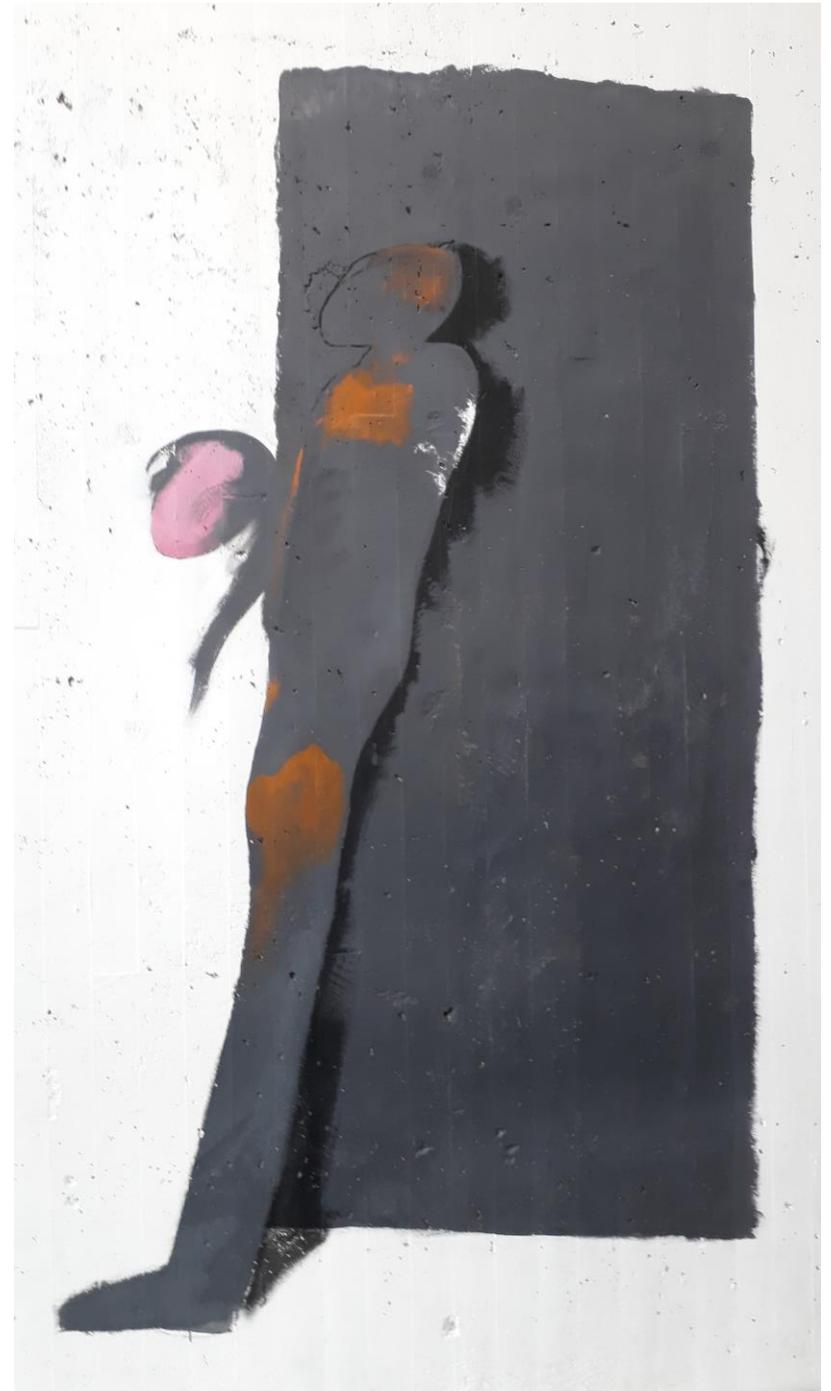


# Sedimentation and (re-)politicization

‘sedimentation’ (...) covers all forms of routinization that lead, *inter alia*, to forgetting the contested origins of discourses, practices, processes, and structures. This gives them the form of objective facts of life, especially in the social world. In turn, ‘politicization’ covers challenges to such objectivation that aim to denaturalize the semiotic and material (extra-semiotic) features of what has become sedimented.

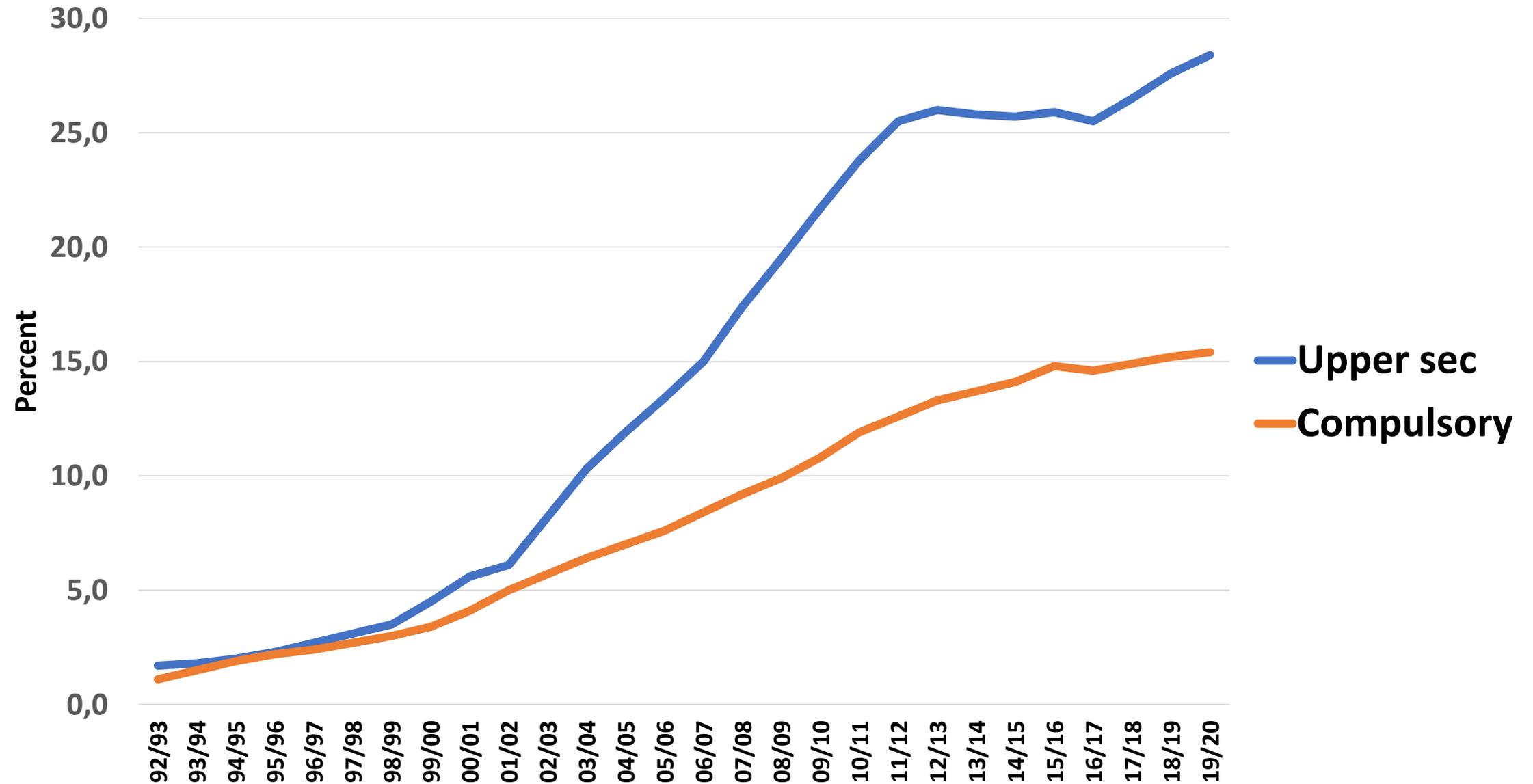
(B Jessop 2010, Cultural political economy and critical policy studies, *Critical Policy Studies* 3(3-4), p. 340)

# The Swedish case in the rearview mirror



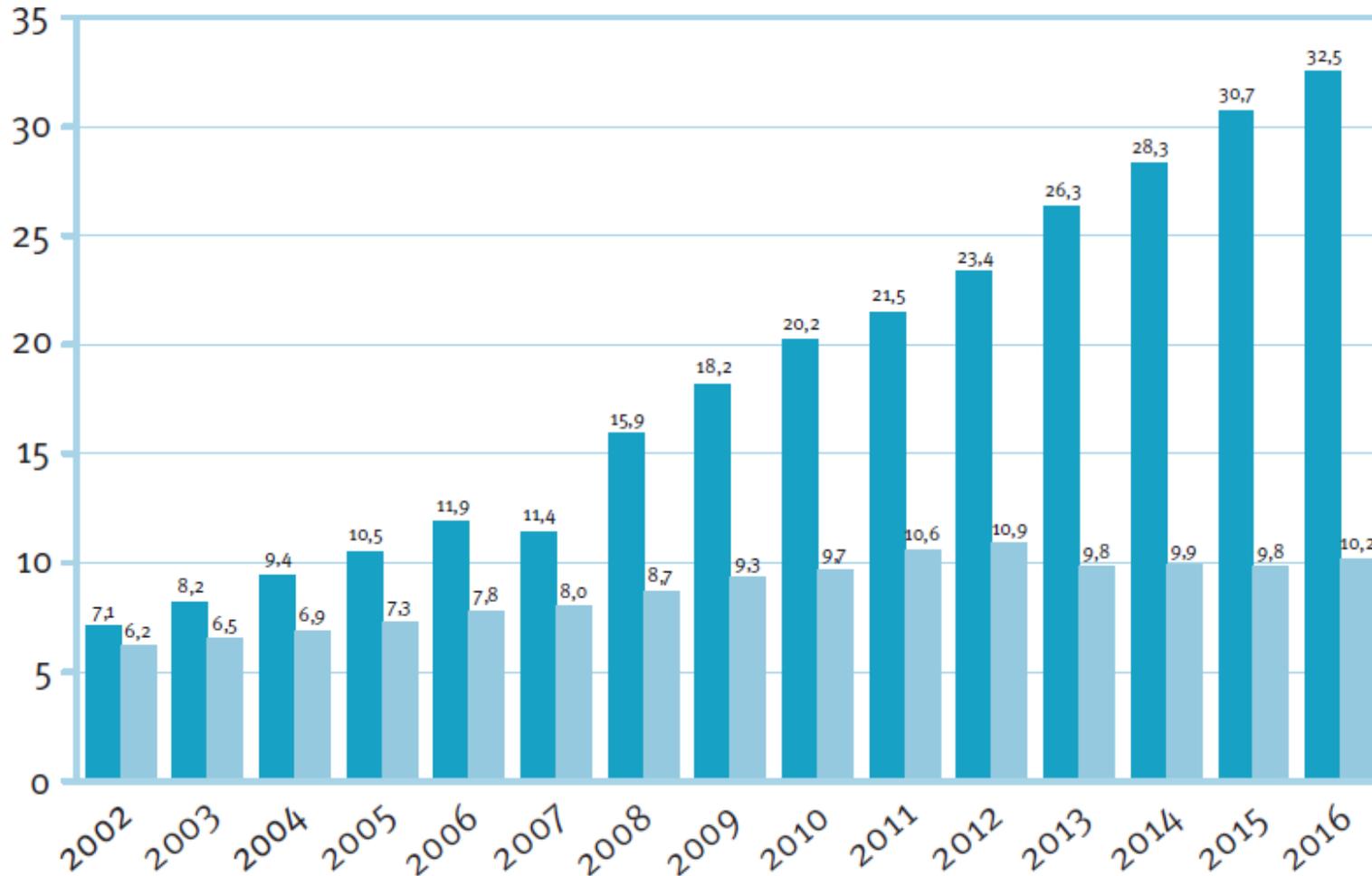
Period	Reforms and major changes	Governments
1950s – 60s	strong and detailed top-down to ensure equality of education	Social dem 1932 – 76
1970s – 80s	strong central governance questioned and weakened	Cons-liberal 1976 – 82 Soc dem 1982 – 1991
1990s	<p>1990 decentralisation reforms</p> <p>1992-93: school choice reforms, vouchers and private ("free") schools</p> <p>1995 decision: 100% tax funding of free schools, tuition fees prohibited</p>	<p>Cons-liberal 1991 – 94</p> <p>Soc dem 1994 – 2006</p>
2000s	<p>Rapid growth and restructuring of free school sector, large free school companies, including national and international venture and equity firms (mid-2000s) enter</p> <p>Growing between-school differences of education preconditions and results</p> <p>The negative social and economic sides of the private school sector become increasingly visible</p>	<p>Cons-liberal 2006 – 2014</p> <p>Soc dem 2014 --</p>

# Students in Swedish compulsory and upper secondary free schools (% of all), academic years 1992/93 – 2019/20



# Sweden: Public funding to Private education providers 2002-2016

■ Vinstdrivande bolag ■ Föreningar och stiftelser



2016: The 290 Swedish municipalities purchased educational services from private providers for appr. 4000 million Euros: A 100% increase since 2006

**Rapid growth of buying from for-profit companies (darker colour), outcompeting non-profit actors**

# State promotion of school choice and competition

- Far-reaching autonomy of local providers of education,
- Vouchers that follow the individual student. *All schools (public and private) have to compete with each other* over students = resources.
- Liberal rules for the establishment and running of free-schools, even if some restrictions have been introduced. The National Schools Inspectorate decides on establishment and expansion of free schools, municipalities are heard but cannot veto.
- Free-schools are fully tax-funded. The price mechanism is regulated by the state
- Owners can extract profits without limitations.

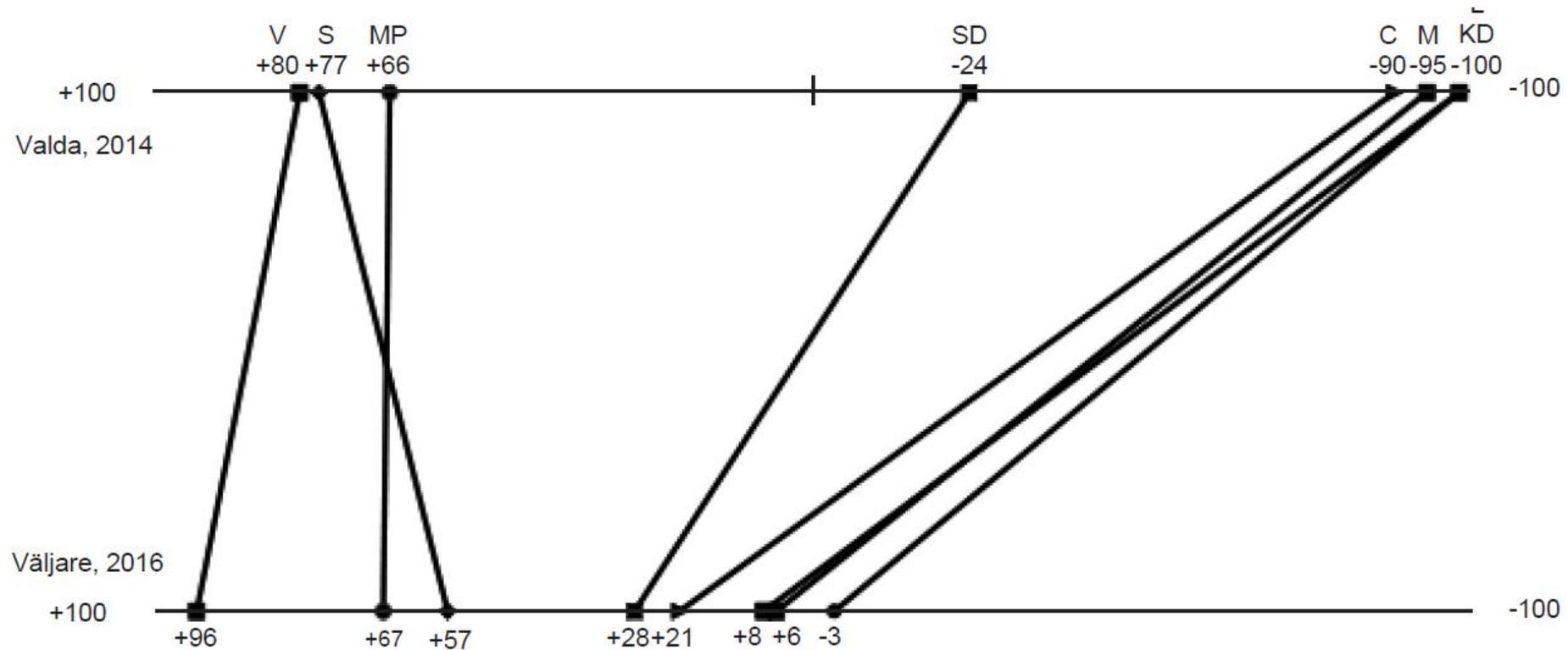
# The Swedish education industry

- The reforms of the 1990s opened up for a national *for-profit educational industry* to emerge and flourish
- The school companies are perceived as attractive and low-risk investment opportunities, displaying promising profit margins
- This has aroused national and international *financial interest* in free school companies
- Free schools: All kinds of providers – but today mostly limited companies (joint-stock companies) In academic year 2019-20, 76% of all free school students at pre-, compulsory and upper secondary level went to schools run by limited companies.

# Support and resistance over time

- Strong defence by powerful actors and informal **networks** consisting of the largest free school owners and industrial and financial capital, the Swedish Association of Independent Schools, right-wing/liberal politicians, lobby organisations, conservative-liberal media
- For a long time, almost all **political parties** have argued that the issues of private providers of education and profit-making were unimportant, as long as the quality of education is high.
- In the early 2010s, bankruptcies, tax-flight and other mediatized scandals built pressure for reform, but the most critical parties have not had a political majority for major changes
- The largest **teacher unions**: growing criticism against the segregating effects, particularly from the The National Union of Teachers in Sweden (LR).
- Until recently, little of persistent organized protests.

# Profit-making in education – an issue dividing citizens and elected MPs



**Källa:** Den nationella SOM-undersökningen 2016 och Riksdagsundersökningen 2014.  
Source: Nilsson, 2017

The current situation:  
sedimentation  
and/or signs of  
politicization?



# Swedish HOPES interview data

**Contextual actors** (9 interviews) representatives from:

<b><i>Teacher unions</i></b>	<b><i>Business organized interests</i></b>	<b><i>Municipalities organized interests</i></b>
<ul style="list-style-type: none"> <li>- The Swedish Teachers' Union 1</li> <li>- The Swedish Teachers' Union 2</li> <li>- The National Union of Teachers 1</li> <li>- The National Union of Teachers 2</li> </ul>	<ul style="list-style-type: none"> <li>- The Confederation of Swedish Enterprise</li> <li>- Swedish Association of Independent Schools</li> <li>- National EdTech association</li> </ul>	<ul style="list-style-type: none"> <li>- Swedish Association of Local Authorities and Regions 1</li> <li>- Swedish Association of Local Authorities and Regions 2 political unit</li> </ul>

**Private actors** (9 interviews) representatives from:

<b><i>Private education delivery</i></b>	<b><i>Selling to principal organisers and schools: Publishing, materials, EdTech etc.</i></b>
<ul style="list-style-type: none"> <li>- Very large free school company</li> <li>- Large free school company</li> <li>- Non-profit free school operator</li> </ul>	<ul style="list-style-type: none"> <li>- Publishing company, books and teaching materials</li> <li>- Teaching materials, a foundation</li> <li>- Company distributing free teaching materials from other companies and associations</li> <li>- Teacher further training company</li> <li>- Very large EdTech company</li> <li>- Large EdTech company</li> </ul>

## 'Narrating the future' Voices from the Swedish HOPES interviews



*"There will be no turning back"*

Private actors are embedded in the school system and are indispensable to help educate the future generation

*Strong and dominant narrative*

*"There will be common challenges"*

Private and public irrelevant categories. Teacher shortage and digitalisation as common challenges

*Across the interviews, and private actors in particular*

*"There will be a need to adjust the rules of the game"*

Need for school choice 'fairness', 'fair' voucher levels and municipality building permits etc to be addressed in future reforms – but notably not challenging the system as such

*Voiced by teacher unions but also private actors and SKR*

*"There will be continued private actor consolidation"*

Large actors with 'financial muscles' etc acquiring the smaller private actors: 'Concernification'.

*Articulated by business org in particular*

For-profit schools challenged?

Articles on free schools and profit-making in the eight largest daily newspapers 2019 –21

Cover page of SDS, one of the largest daily newspapers (liberal)  
Jan 10 2021:

## That's how school became a profit machine

”Sweden is the only country in the world where private schools are fully tax-funded – and where the owners of the schools are allowed to extract profits without limitations. How did this happen?”



# Editorials in right-wing/liberal daily press

... The special interests, the lobbyists and the increasingly narrow networks in the capital. Those who have provided us with the multi-billion fiasco New Karolinska /hospital/ in Stockholm and the cunning school companies handing out laptops instead of employing teachers. (GöteborgsPosten 6/2 2020).

Who admits that school choice is constructed in the worst thinkable manner, that the freedom of choice that is not accompanied by any payment liability, results in a tendency to fall for vulgar marketing from school companies that are more interested in profits than in education? (editorial column Expressen 20/7 2020)

But there is something deeply unsound with the close relationship that non-Socialist parties have cultivated with the welfare industry and the industry's lobby organisations. Instead of standing on the side of the citizens when tax money are to be paid, they repeatedly make themselves into uncritical spokespersons for strong lobby interests. (Expressen 9/2 2020)

Do politicians sit in the lap of the free school companies? Yes, unfortunately it is difficult to get rid of the suspicion that certain politicians are more concerned about school companies than students. (Svenska Dagbladet 6/12 2020)

But classical non-Socialist politics also includes the defence of equal education. Having this in mind, it is impossible to understand how contemporary non-Socialist parties can fight for maintaining the very clear negative tendency that have emerged, from the segregating queuing system to the excessive remunerations and lack of insight. It is hard to interpret this as other than they have had one invited lunch too much and left their original task to serve the citizens for the benefit of quite other interests (Ed column, Dagens Nyheter 2/1-21).

# The young generation of right-wing/liberal politicians

Benjamin Dousa, chair of the Moderate Youth League: I argue that many leading non-socialist politicians have run the school companies' errands instead of promoting the education system to become as well-functioning as possible. (Aftonbladet 29/1 2020)

Isak Skogstad, investigator at the Parliamentary Chancellery of the Liberal party: If you dismiss all critics as communist free-school enemies, you may win likes at Twitter. (---) I have problems understanding what you gain from that. (Expr 11/12 2020)

Caroline von Seth, the Center Youth League: But it is time for the non-Socialist groups stop seeing the /free-school/ reform as a holy cow, free from problems. The non-Socialist view of free-schools and profitmaking must be characterised by nuance, not by naivety (debate article Expressen 15/12 2020)

Samuel Johnson, 2. vice chair of the Moderate Youth League: The non-Socialist groups have to stop defending a broken system (---) In non-Socialist Sweden it seems that there are no demands on welfare companies. (Sydsvenska Dagbladet 23/12 2020)

The free school reform is the baby of the older generation. We, the younger ones, love freedom of choice and competition, but recognize that there are weaknesses (Caroline von Seth, the Center Youth League, Expr 11/12 2020).



# Comments and reflections



# Layers of politicization and sedimentation

## Late 1970s -- Politicization

Discourses: school-choice presupposes private actors, business as the model for quality, efficiency & innovation

Social democracy and public schools outdated and inefficient

## 2000s – process of sedimentation

New legislation and rules, esp. re funding, changes material preconditions →

Rapid growth and restructuring of private sector ("the new normal")

## 2020s: possible re-politicization

Emerging discourses: "the new old"

Fears that the negative sides of school business will ruin the system

Beginning mobilization of professionals and public