

**AUSTRALIAN COUNCIL FOR THE DEFENCE OF
GOVERNMENT SCHOOLS
PRESS RELEASE 871**

**CENTRALISED ADMINISTRATIONS OF PUBLIC EDUCATION
ARE NECESSARY FOR EQUALITY OF OPPORTUNITY**

In the nineteenth century administrators in Western democracies understood that centralised administration protected teachers and students from local disputes and inequalities; transferred resources into schools more efficiently and economically; and gave career opportunities for educators. But they had to be properly resourced by a committed government through a centralised rather than a localised taxation system.

This lesson was learnt in particular by William Wilkins, the Director of Education in NSW and Henry Parkes when they set up the NSW Department of Education and stopped State Aid to private schools in 1880.

The private sector have always denigrated the 'centralised' public school administrations while centralising their own administrations to administer public money as they see fit and lobby governments. .

Since the 1960s, but gaining momentum since the 1980s, those preaching 'decentralisation' have gained the policy initiative. In Victoria the demolition of the Education Department started in the 1980s with ongoing 're-structures'; the replacement of committed experienced public school administrators with those from the private system; and the public/private partnerships in school building projects.

Principals are given a budget; power to employ teachers and ever increasing responsibilities. The job of public school principal is becoming an overloaded one.

But now, in NSW the same 'decentralisation' mantra is being put into practice. It is being opposed by the NSW Teachers Federation and others.

The Save our Schools group point to the following Swedish experience as a failed experiment in decentralisation and compare it to Finland. This article by Per Kornhall, a Swedish author who has worked as a high school lecturer, a teaching advisor at the Swedish National Agency for Education and as a school strategist was originally published on Diane Ravitch's blog at <https://dianeravitch.net/2020/12/11/per-kornhall-the-great-swedish-child-experiment-a-failure/> and has been slightly edited.

Sweden: A Failure in Market-Based Education

sosaustralia / December 12, 2020 / Choice and competition

Sweden is often seen as part of a homogeneous Nordic sphere; small cold countries with midnight sun, fair-skinned population, small social democratic idylls with equal free healthcare, good schools and a high standard of living. The reality is never as simple as our prejudices and one of the things that now characterizes Sweden is that we in important areas of society have left the common Nordic tradition of a cohesive school.

The Swedish school was built on a liberal and social democratic basis, starting with an elementary school reform in 1878 and then with careful and scientific work to design a “School for all”. The unit school that would serve the entire population was launched in the 1960s and all pieces were in place in the late 1970s. It was a building where thorough investigations, researchers and politicians were used and collaborated. One of the countries that looked at Sweden and tried to emulate the system that was built was Finland. But because Finland, unlike Sweden, had a poor economy after World War II, it took them a little longer to build a similar system. We will return to them.

When a Swedish school minister, Göran Persson, in a reform proposal in 1990 wanted to summarize the Swedish school’s situation, he wrote that it was a world leader in knowledge and above all in equivalence. He brags that in Sweden it does not matter which school you go to. The quality of education was the same all over the country, in all schools, and he believed that it was the strong central control of the school that had had this effect.

But the strange thing about this text is that it is part of a reform proposal that begins the great Swedish school experiment. This is the text where this successful Swedish equivalent school begins to be dismantled. The first step was that the state backed away and handed over responsibility for the teachers ‘and principals’ appointments, and salaries to the country’s 290 municipalities.

At the same time, a change was made in the school’s control system. New Public Management had begun to spread around the world and the Swedish school’s rigid rule management was to be replaced by goal management and the teachers would go from a well-paid collective with predictable salary development to individualized salaries. Governance and collective was to be replaced by competition and individuality. And it did not stop at teachers’ salaries.

In 1992, due to the municipalization, the school was in somewhat of a limbo state. The decentralization was carried out (despite strong protests from teachers), and the state authority that had so far managed the school system was dismantled. At that time Sweden got a prime minister, Carl Bildt, with strong connections to the United States. Among other things, he had been educated in the United States on an American scholarship. (He collaborated early in his career with US authorities so that they had access to otherwise secret information about talks before a government was formed in Sweden, for example). He now

led a government with a clear ambition for a system change and a revolutionary neoliberal agenda. An agenda that stipulated that citizens should become customers in a welfare market system.

The new government was taking advantage of the vacuum in the school area and quickly implemented a private school reform that was taken directly from Rose and Milton Friedman's book "Freedom to Choose". It was a reform that stood in stark contrast to previous reforms in the school area in Sweden. It was not preceded by any investigation and does not contain any calculations of consequences. It was a system change they wanted, and they did not want to waste time on details and investigations.

School systems are large and slow systems. The consequences of the changes in the regulation first began to become visible only on a small scale and have since grown to become very powerful in the last decades. In addition to a small increase in the last two times of the PISA survey, Sweden, for example, between 2000 and 2012 was the country that fell the most of all countries in results. This created a PISA shock in Sweden which led mostly to the teaching staff being blamed for this.

But really, it was obvious in the OECD analyses what had happened, namely that what had been the Swedish school's great pride: equality, had begun to deteriorate. What drove the fall in Swedish results in PISA was that the low-achieving students had started to perform much worse. It became clear that the school—that was based on the basic values of both the French Revolution, Protestantism and Social Democracy on the equal value of all human beings—no longer existed. The differences between schools have increased dramatically. This at the same time as the status of the teaching profession declined and an increasingly serious shortage of teachers was established.

But, an interesting thing about the Swedish market experiment is that we have a control group. Finland, which I mentioned earlier, more or less copied the Swedish system but did not follow Sweden's into the neoliberal agenda. In recent decades, Finland has also dazzled the world with its results in PISA and other surveys, both in terms of results and not least in terms of equivalence. It really doesn't matter which school you go to in Finland. In all schools, you are met by qualitative teaching delivered by a skilled and motivated teaching staff. So we have a control group. We know that the Swedish reforms led to an overall worse system. Yet so far there are no real attempts to turn back the clock in Sweden. I will come back to why at the end of this post.

What were the decisions that were made in the early 1990s and what were their consequences? I have already mentioned the municipalization, the abolition of regulations in favor of goal management, and the individualization of the teaching staff. What the neoliberal government led by Carl Bildt added to this was that it opened up state funding of schools for private schools, also such that were run for profit. In the case of establishment of private schools, the responsibility was moved away from the municipalities so that whoever wanted to start a school could do that wherever they wanted without local authorities being able to say anything about it. It was the principles of the free market that should apply. The private schools get paid as much per pupil as the pupils of the municipal schools in that municipality receive on average. Instead of placing students in the nearest school, school choice was also introduced.

So what has happened to the national school system in Sweden is that from being a societal commitment to ensuring that every child has a good school in their vicinity, it became a

school market. Parents “buy” an education through their school choice and the school vouchers that follow the student. This voucher is the only funding a school in a typical municipality in Sweden has as income. You do not balance at all according to class size, fixed costs or any such variable. The only mechanism that remains to ensure that the school’s compensatory mission is not too compromised is a writing in the national Educational Act that the municipalities should weight school fees so that children with tougher conditions have a higher one. But there is no national control over what such a distribution should look like.

It may be important to say this again. Sweden thus went from a nationally equivalent and high-performing school system to a mediocre and unequal school market. A market where it is important for everyone, public as well as private, to relate to the fact that parents and students are customers.

This has for example led to extensive grade inflation. Since grades become something you can compete with, there is pressure on teachers to set high grades. This had, for example, the consequence that during the period in which the fall in knowledge results was shown by the OECD in PISA surveys, the average grade rose in Sweden.

Two other important consequences of the market are the shortage of teachers and a galloping segregation. In a typical Swedish city today, children from well-educated parents gather in for profit private schools, while working class children and immigrants attend the schools of the public school system.

In fact, this division is also what gives rise to the profits of the large private school groups. Tuition fees have become a lucrative asset. Take in many students, hire a few cheap teachers and you have money ticking into your account. But the equation is based on the fact that you attract children to your school who are relatively easy to teach, i.e. children of highly educated people. These children do not need as many resources. Which enables you to make a profit in schools.

And we’re talking about a lot of money. We are talking about tens of millions of dollars per school group in pure profit per year. The incentive to make money in schools is so strong that it is expected that for the capital Stockholm, the majority of students will soon go to such groups’ schools rather than to public ones. Then the school system in Stockholm will no longer be public but be mainly privately owned.

In addition to a shortage of teachers (30% of those who teach Swedish K1-9 are now not trained teachers), reduced knowledge results, inequality and segregation, the market model has also led to another consequence that strikes at the heart of Swedish public culture and self-image. Sweden has traditionally had very little corruption at the state level. It is a country that is usually among the least corrupt when comparing different countries. One of the reasons, and something that Swedes are usually very proud of, is what is called the principle of openness. That is, everything that is paid for by tax money must be fully transparent. Both as a journalist and as a citizen, you must be able to request the documents you want to see from a municipal or state authority at any time. It should be possible to hold the administration accountable quite simply. But this completely disappeared from the school sector a few months ago.

The Swedish statistical authority suddenly realized that Swedish school statistics should be regarded as trade secrets and thus could not be disclosed or made available. This means that

grades and other results from Swedish schools, the institution central to democracy, are now secret. This has upset many, but we do not yet see that this will lead to any major change in the system. Sweden is right now trading transparency for the right to make money on schools.

The contrast to Finland could not be greater, but instead the situation begins to resemble a completely different country. There is only one country that went down the same path as Sweden and that was Chile. Also introduced in Chile, albeit 10 years earlier, and as a result of the US-backed coup d'état where a school system based on Milton Friedman's ideas and directed by the so-called Chicago boys (University of Chicago, where Professor Friedman was based). Over time, the school system has also passed into private hands. School choice and school fees and a school market were also introduced there. Here, too, the gaps in the school system grew to finally explode a few years ago in student revolts that forced changes. The consequences of the neoliberal reforms simply became too serious and central elements of the market model are now reversed in Chile, such as the profit motive for running a school.

Despite all the consequences in Sweden which are clearly described also in Swedish governments' own investigations, in PISA data, in other reports from the OECD and in research, and despite the fact that all teachers' unions as well as school leaders' unions agree that the system is not good, there is no real political will to create a change. A majority of parties in the Swedish parliament is for the current system. Why?

One of the answers is a bit up in this text. There are millions of reasons for the companies that make big money on the Swedish model to try to keep the system intact. What has been done in Sweden has not only created a school market but has also let in a completely different driving force in the debate about the school. The school has become an important place for the actors' lobby organizations, think tanks and networking. They are not prepared to give up their golden calf without a fight. And as long as you have the children of the most influential parents in your schools, you also have no pressure from parents for change in a system that serves the majority worse than it did before.

For our Nordic neighbors, the Swedish situation is now a clear warning signal as to why market and school are not a good combination. In the control group, Finland, just a short boat ride away from Stockholm, children continue to mix in the same schools, being taught by motivated and well-trained teachers. For them, Sweden has become the deterrent example. The outside world needs to be aware that the companies that make money at Swedish schools want to see similar systems in other countries.

In the dark picture I drew, one must remember that Sweden is a relatively rich country. That all children are allowed to go to school, that there is a well-developed preschool, that very many children go on to higher education and so on. Compared to many school systems in the world, it works well, but compared to our Nordic neighbors, we are on a journey towards inequality, larger gaps and polarization, which worries me, teachers, school leaders and a large part of the population. Just recently, a lively debate is also taking place, where the priority of profit interests in the debate is questioned in editorials of right-wing newspapers.

But it took a long time before we got there. The development, both in Sweden and Chile, is a strong warning to other countries not to go the same way.

Per Kornhall

LISTEN TO THE DOGS PROGRAM
855 ON THE AM DIAL: 12.00 NOON SATURDAYS
<http://www.3cr.org.au/dogs>