International Journal of Educational Development 47 (2016) 47–53

Contents lists available at ScienceDirect

International Journal of Educational Development

journal homepage: www.elsevier.com/locate/ijedudev

Public–private partnerships in education: An analysis with special reference to Indian school education system

Jayanti Kumari *

School of Social Sciences, Jawaharlal Nehru University, New Delhi 110067, India

ARTICLE INFO

Article history:
Received 8 January 2013
Received in revised form 28 November 2015
Accepted 30 November 2015

Keywords:
Public–private partnership
School education
Voucher
Education service contracting
Educational infrastructure partnership
New model school

ABSTRACT

Government of India is willing to achieve universality of education but the limiting factor is the financial resources at the disposal of the government. Indian Ministry of Human Resource Development has proposed "Public–Private-Partnership (PPP) as an alternative to improve access to quality school education while ensuring equity and social justice (Ministry of Human Resource Development (2009), Public Private Partnership in School Education (Draft Note), http://mhrd.gov.in/model_school). The mushrooming of effective private schools in Indian education sector and increased parental preferences for private schools indicate the poor performance of government schools (Muralidharan and Kremer, 2008; Tooley and Dixon, 2007:16; Fennell, 2007:194). The assessment of Indian school education raises several crucial issues like rising tuition fees, vulnerability of teachers due to short-lived jobs with lower salaries, poor infrastructure facilities; underutilisation of public resources and also the need for parental and community involvement in schools. Partnership contracts are an innovative idea to tap private resources, increase competition and efficiency. Many governments around the world have been exploring different ways to involve the private sector in providing education, including vouchers, subsidies, capitation grants, stipends, and contracts (LaRocque, 2008. Public–Private Partnerships in Basic Education: An International Review, CfBT Education Trust, May 2008; Patrinos et al., 2009). For education services to be provided successfully, all participants citizens, service providers, and governments should be held accountable. This paper seeks to investigate the global experience with partnership contracts in education, discusses on the status of Indian school education, and tries to see its feasibility in Indian education sector with the help of recently proposed DBFO (Design Build Finance and Operate) model.

1. Conceptualising public private partnership

The term Public private partnerships (PPPs) include contractual agreements, alliances, cooperative agreements, and collaborative activities used for policy development, programme support and delivery of government programmes and services (Osborne, 2000). It is a cooperative venture between the public and private sectors, built on the expertise of each partner, which best meets clearly defined public needs through the appropriate allocation of resources, risks and rewards (Carr, 1998). In this context, PPP demonstrates the willingness on the part of government to engage the private sector in a contractual arrangement that is based on something more substantiate than short term and ad hoc relationships (GOI: Planning Commission, 2004). Falconer and McLaughlin (2000) argue that collaborations between the public sector and private enterprises are driven by the public sector's need to provide alternative sources of capital funding. Public–private partnerships (PPP) fall within '*New Public Management (NPM)*' framework as alternative service delivery arrangements to traditional public procurement (Ford and Zussman, 1997; OECD, 2003). NPM focuses on the use of market-type mechanisms associated with the private sector to bring about changes in the management of public services[1]. It is expected that public–private partnerships create extra value because costs are shared and economies of scale are achieved (Klijn and Teisman, 2000). PPPs can improve service standards, transfer risk from the public to the private sector and import expertise and professional management skills from the private sector (Flinders, 2005; James et al., 2005)[2].

* Corresponding author. Tel.: +91 9599911621.
E-mail address: Jayanti.jnu20@gmail.com

http://dx.doi.org/10.1016/j.ijedudev.2015.11.017
0738-0593/© 2015 Elsevier Ltd. All rights reserved.

[1] Public Management Development Survey, Paris.
[2] OECD (1993): Public Management Development Survey, Paris.

Some scholars have differentiated between contracting out; privatisation and PPPs, arguing that contracting out and privatisation are at opposite ends of the spectrum of private versus public involvement, with PPPs somewhere in-between (Allan, 1999; de Bettignies and Ross, 2004a,b). The difference between full privatisation and a PPP arrangement is that in a PPP the public sector retains a substantial role while in privatisation subsequent government involvement is minimal unless regulation of the post-privatized entity is necessary(Savas, 2000). The argument is therefore about new public sector reforms—how to improve the management of activities that remain under public ownership by applying private sector practices, and as such, outright privatisation should be left out of PPP discussions.

The involvement of private sector in the form of PPPs is predicted on the assumption that it will contribute towards widening access and raising educational standards. However, several factors including legal regulations—have to be considered regarding outsourcing activities in the public sector. The paper deals with the feasibility of PPPs in education sector. First section conceptualizes PPPs, followed by a review of international experiences with various PPPs models in education. Second section discusses the status of Indian school education system. Lastly, the paper attempts to evaluate the status of existing PPPs arrangements in Indian education system with the help of recently proposed Adarsh Vidyalaya (Model School) based on PPP[3].

2. Public private partnerships in education

International experiences with PPPs models in school education recognize the existence of alternative options available for providing quality education. A range of different contractual arrangements are currently used in education around the world. This section discusses six types of such education services namely: education service delivery; management services; voucher programmes; professional and support services; infrastructural partnerships and educational philanthropy.

Education services: Under this scheme a government agency, for instance, the ministry of education, purchases places for students in private schools. Payments are demand driven, with the school paid for each student they enrol. Schools must meet certain criteria to enter the programme; for example, they must be registered or meet other minimum standards relating to teachers and infrastructure (LaRocque, 2008). According to World Bank (2011) this type of contract enhances accountability as schools are subject to competitive pressures because parents and students are able to choose from among public and private schools. The Philippines Education Service Contracting (ESC) scheme, which was introduced in the 1980s, is one of the largest educational service delivery programmes in the world[4]. The number of ESC-funded students grew from 4300 in 158 schools in 1986 to 280,216 in 1517 schools in 2003 (Patrinos, 2006).

Private management of public schools: to get away with weak school management and control, government contract with private organizations to manage and administer public schools. Its responsibilities usually fall into four categories: financial management, staff management, long-term planning, and leadership. Although the schools are privately managed, they remain publicly owned and the government remains ultimately responsible for their performance. One such school programme is the concession schools model in Bogota, Colombia, managed by non-state providers. Another example is the Fe y Alegría programme that operates in South America. In these operational contracts, private agencies both manage and staff the public school[5].

Voucher programmes: public–private partnerships are widespread in demand-side financing of private school operations, such as school vouchers, per pupil subsidies, capitation grants, and scholarships. In this system school vouchers are paid directly from a public entity (government) to parents or to schools directly on parents' behalf. The main objective of voucher system is to increase access by giving families money to invest in their children's schooling by compensating them for the cost of education (Patrinos, 2000). In addition, demand-side mechanisms promote parental choice, school competition, and school accountability (Gauri and Vawda, 2004). Voucher programmes are common in many countries, including Chile, Colombia, Hong Kong (SAR), the Netherlands, New Zealand, Pakistan and the United States. For instance, Chile and the Netherlands operate national voucher programmes, schools receive monthly payments based on the number of students enrolled (LaRocque, 2008). According to Mora (2005) the public–private combination in Chile is more capable of taking in, providing for and retaining the children of the poorest 40% of the population in education than in 1980. Targeted voucher programs in Bangladesh gave stipends to girls who had demonstrated high attendance rates, scored high in school exams. The program substantially increased girls' enrolment but no effort was made to increase the number of teachers to avoid overcrowded classes (Raynor and Wesson, 2006).

Professional and support services: Government schools also contract with private bodies for professional and support services such as teacher training, textbooks, curriculum design, and quality certification of schools is straightforward and the provision of usually effective. Its main advantage is that it brings private provider's expertise to bear on public education. One example is Mongolia's primary school lunch programme. Generally, PPPs for professional and support services allow governments to utilize private expertise and efficiency on particular services as well as economies of scale to increase cost-effectiveness and release schools and education officials to focus on teaching[6]. For example, in Colombia, public authorities contract with the Escuela Nueva Foundation to train rural school teachers, distribute textbooks, and update curricula (Benveniste and McEwan, 2000). The United Kingdom authorized the contracting out of local authority functions in 2002 as part of a reform to introduce market dynamics into the education system. As per the contract services such as pedagogic support, curriculum advice, school improvement strategies, information technology training, and ancillary services can be outsourced, whereas key services such as budget approval cannot (Hatcher, 2006). Pakistan has a similar program, Aga Khan Education Services, which works with the Directorate of Private Education to strengthen instructional practices and management in low cost private schools (LaRocque, 2008).

Educational infrastructural partnership: PPP are an increasingly common form of procurement for large infrastructure projects in the education sector. Fig. 1 clearly shows various possible Infrastructure PPPs models with decreasing levels of public responsibility. Under the most common type of PPP arrangement – build-operate-transfer – a private operator is granted a franchise (concession) to finance, build and operate an educational facility such as a public school, university building or hostel. In the United Kingdom, Private Finance Initiative (PFI) is extensively used in

[3] http://mhrd.gov.in/model_school.

[4] PPPs in Basic Education: An International Review, LaRocque (2008)

[5] Patrinos et al. (2009). The Role and Impact of Public-Private Partnerships in Education, World Bank, Washington DC.

[6] Bolortuya, B. July 2008. "Lunch Programme Implementation is Insufficient." In Mongolian National NewsAgency.t: www.montsame.mn/; Joint UN Food Security Assessment Mission to Mongolia. FAO/UNICEF/UNDP, April 2007; and Mongolia: Project Completion Report. Government of Mongolia-Japan-FAO Dairy Food Security Project. FAO. 2007.