

NAPLAN and the role of edu-business: New governance, new privatisations and new partnerships in Australian education policy

Anna Hogan

Received: 18 June 2014 / Accepted: 17 November 2014 / Published online: 26 November 2014
© The Australian Association for Research in Education, Inc. 2014

Abstract This paper provides a critical analysis of the edu-businesses currently working in partnership with the Australian Curriculum, Assessment and Reporting Authority to deliver the Commonwealth government policy initiative of the National Assessment Program – Literacy and Numeracy (NAPLAN). These emerging public–private partnerships (PPPs) exemplify new heterarchical governance structures in Australia, where a network of public and private agents now contribute to education policy processes. In analysing the NAPLAN policy network, this account seeks to proffer a critical analysis on the evolving PPPs in Australia and ascertains in whose interests and with what outcomes these PPPs operate. The NAPLAN policy network is analysed in relation to the contemporary state and its changing *modus operandi*, in which I draw on the notions of heterarchies, networks and new governance structures in education to understand these developments. Network ethnography is employed to document the network of PPPs that are associated with NAPLAN and other government initiatives in Australia, and in particular, I reflect on the activities of Pearson and the Australian Council for Educational Research to problematise what these policy networks mean.

Keywords NAPLAN · Edu-business · Governance · Privatisations · Public/private partnerships

A pervasive neoliberal imaginary has been working to recast education policymaking in specific ways, where contemporary policy settings now encourage the privatisation of education as a key means to improve school effectiveness and the quality of student outcomes. Such an approach to education has challenged the ideology of the traditional state-centred public provision of schooling, opening it instead to market-based processes of reform. Here not only does the state adopt neo-

A. Hogan (✉)
School of Education, The University of Queensland, Brisbane, QLD 4072, Australia
e-mail: a.hogan1@uq.edu.au

liberal policy principles that encourage the discourses of accountability, competition and choice in education, but the state also works to open public policy processes to private sector participation. These privatisations are particularly evident in the Australian context, in which the education reform initiatives introduced by the 2007 Rudd/Gillard Labor government under the pretext of an 'Education Revolution' not only introduced neoliberal performance management mechanisms into education, as evident through the National Assessment Program – Literacy and Numeracy (NAPLAN) and My School,¹ but these processes have also worked to make the state more amenable to the participation of private providers in processes of test preparation, testing, data analysis and representation.

This paper provides a critical analysis of NAPLAN as one of Australia's key policy initiatives which has worked to open the door to various amounts of privatisation in education. NAPLAN, like similar standardised test regimes in the United States (US) and United Kingdom (UK), is intended to improve student achievement and drive up education standards given these are seen as central to national success in the context of global economic competitiveness (Thompson and Harbaugh 2013; Rizvi and Lingard 2010). As Thompson and Harbaugh (2013, p. 300) observe: 'Tests like NAPLAN represent a shift in the imaginary or logics of education policy, from government to governance, to practices of 'auditing' schools and teachers through the production of (largely) quantitative data, and to the creation of systems that use data to steer or manage institutions, individuals and practices often at a distance'. While these particular effects have been well theorised in the literature (see Lingard 2011; Lingard and Sellar 2012), less so are the ways in which these political shifts are being leveraged by edu-businesses for commercial advantage. Indeed, Burch (2009) points out that particular segments of the education market are being reinvented around testing and accountability policies where schools and governments are now purchasing products and services from the private sector that are tied to test development and preparation, data analysis and management, and remedial services. She identifies that this is an industry worth \$48 billion per year in the US alone. Given this growth in edu-business activity is tied to changes in education policy, it is conceivable that NAPLAN may be similarly representative of new privatisations and increasing 'business opportunities' (Ball 2012) in Australian education policy.

Ball's (2007) work in particular suggests that there are a range of different privatisations 'of', 'in' and 'through' education and education policy, and that edu-businesses are increasingly important in providing 'solutions' to national policy problems (Ball 2012). On this point Ball (2012, p. 112) notes:

In effect, to different extents in different countries, the private sector now occupies a range of roles and relationships within the state and educational state in particular, as sponsors and benefactors, as well as working as

¹ NAPLAN tests are conducted in May each year for all students across Australia in Years 3, 5, 7, and 9. All students in the same year level are assessed on the same test items in the assessment domains of Reading, Writing, Language Conventions (spelling, grammar and punctuation) and Numeracy. The results of NAPLAN for every Australian school are displayed on the My School website, which allows comparisons to be made between statistically similar schools.

contractors, consultants, advisers, researchers, service providers and so on and both sponsoring innovations (by philanthropic actions) *and* selling policy solutions and services to the state, sometimes in related ways.

Indeed, there is a trend in recent literature that discusses the new policy networks that emerge from these interrelations between government, edu-business and philanthropy over particular policy processes (Ball 2012; Ball and Junemann 2012; Burch 2009; Picciano and Spring 2013; Olmedo 2013; Shiroma 2013; Reckhow 2013). From these accounts we can see that neo-liberal discourses of marketisation and privatisation have taken precedence, in which the traditional hierarchal bureaucratic influence over the public sector has been broken down and reconfigured in ways that promote a new form of governance, or a 'polycentric' state (Ball 2012). Here, edu-businesses have gained credibility as legitimate contributors to this new policy landscape and are increasingly utilised in shaping and creating education policy.

NAPLAN exemplifies these shifting governance structures and the mix of public and private agents at work in education policy today. Understanding these evolving relationships between government institutions and edu-businesses is an important consideration in critical policy research. Thus my aim in this paper is to document and analyse the ways in which edu-businesses are involved in NAPLAN policy processes, and the potential implications that arise from this transferral of activities from the public to the private sector. In particular, I seek to understand the motives that the Australian Curriculum, Assessment and Reporting Authority² (ACARA) has for contracting edu-businesses in processes of NAPLAN development, enactment and analysis. Here I reflect on tensions between public sector motives for the outsourcing of policy and the for-profit interests of edu-businesses. I argue that NAPLAN processes are indicative of new privatisations in Australia, and that new policy values and new policy actors are working to redistribute power and responsibility in matters of education policy.

In what follows I first elaborate on the theoretical frameworks for analysis, which are important in understanding how new governance structures have underpinned the emergence of edu-businesses as critical to contemporary education policy processes. Here the work of Ball and Junemann (2012) on heterarchies works to characterise new networked partnerships between the public and private sector (Robertson and Dale 2013), in which shifting forms of public and private authority now mediate policy processes (Cutler 2008). Next I describe and analyse the NAPLAN policy network. Utilising the approach of 'network ethnography' (Howard 2002; Ball and Junemann 2012) I provide an account and analysis of the edu-businesses currently contributing to education policy in Australia, specifically around NAPLAN processes. My analysis suggests that edu-businesses like Pearson and the Australian Council for Educational Research (AECR) are

² ACARA is a Commonwealth statutory body that was established in 2008 by the Rudd/Gillard Labor government to lead the development of NAPLAN, My School and the Australian Curriculum. Independent from the Federal government, ACARA is jointly funded by the Commonwealth, State and Territory governments and receives directions from the associated Ministers for Education through the Standing Council on School Education and Early Childhood (SCSEEC).

working to construct policy problems which they can subsequently solve through their commercial activities. I see here the emergence of an Australian education policy field increasingly populated by edu-business and NAPLAN as a vector of privatisation.

Theoretical framings: heterarchies, networks and public–private partnerships

A gradual shift in the form and functioning of the state has been occurring over recent years, where there now exists a genuine need to explore how educational governance is being done and by whom (Ball 2012). This uncertainty has arisen as a consequence from the move from government to governance, perhaps better conceptualised as a move from a traditional, hierarchical, bureaucratic model of command-and-control procedures to a more informal, flexible, networked form of practice (Eggers 2008). While this move has been framed by neo-liberalism, it represents a move beyond conceptions of New Public Management where the state adopts more business-like procedures. Rather, it constitutes what Ball terms (2007) privatisations of multiple kinds, and how public policies are now being delivered through a strategic mix of public and private agents. These new relationships are a central feature of the contemporary state and its *modus operandi*.

Here, Ball and Junemann's (2012, pp. 137–140) concept of 'heterarchy' is able to articulate the new 'latent structures' and relationships associated with new forms of educational governance. They define the concept in the following terms:

Heterarchy is an organisational form somewhere between hierarchy and network that draws upon diverse horizontal and vertical links that permit different elements of the policy process to cooperate (and/or compete). Heterarchies have many of the characteristics of 'assemblages' of and for policy and governance, inasmuch as they contain heterogeneous elements placed in diverse relations to one another, in latent structures or as social morphology. (p. 138)

As Ball and Junemann observe, heterarchies are dynamic structures that bring together bureaucratic and network relationships, which function between agencies of the government, business and civil society and extends these, in the case of contemporary education policy, to a global scale. The role of the state in these heterarchical structures varies, as Ball and Junemann (2012, p. 139) observe: 'within heterarchies, public sector organisations are positioned sometimes as clients, sometimes as contractors, sometimes as partners and sometimes as competitors of private sector organisations'. Indeed, they suggest that often services are not removed from public sector control, but rather are performed in partnership or collaboration with the public sector. Heterarchies are examples of what Kickert et al. (1997; cited in Ball and Junemann 2012) refer to as 'loosely coupled, weakly tied, multi-organisational sets'—they are made up of processes and relationships rather than constituting an administrative structure.

These types of partnerships have led to a turn from hierarchy to a more complex, negotiated system, oriented to international competitiveness, innovation, flexibility

and ‘enterprise culture’ (Jessop 1998, p. 35). According to Jessop (1998), the conditions for successful heterarchical governance depend on institutionalised negotiations, where by actions are coordinated to secure particular outcomes which are deemed mutually beneficial. Thus, the state relinquishes part of its capacity for hierarchal, top-down, authoritative decision making in exchange for the ‘policy solutions’ (Ball, 2012) that can be provided by the likes of edu-businesses; and edu-businesses forgo some of their autonomy in economic decision making to gain political influence and consequently, improved system performance. What we see then in heterarchical governance is not an absolute change, ‘but rather a shift in the balance or mix between the different elements of government—bureaucracies, markets and networks’ (Ball and Junemann, 2012, p. 5). Indeed, this hybrid mix of older and newer forms and practices of the state point to a prevailing policy landscape, where Williams (2012) argues, complex policy issues cannot be resolved by single agencies acting alone.

In heterarchies then, governments become facilitators and co-creators of policy agendas, policy texts and their deliveries. This context has important implications for thinking about and understanding policy analysis. Here, a network imagination has become particularly fashionable in conceptualising these complex formations as networks provide a material basis for new forms of social organisation. By definition, networks are relational, self-organising, collaborative, non-hierarchical and flexible in nature (Barabasi 2003). This type of self-organisation means network actors form around a common goal or function and as such, are equally subjected to change. As Newman (2001, p. 108) observes ‘networks are informal and fluid, with shifting membership and ambiguous relationships and accountabilities’. Such flexible organisation represents a solid departure from rigid bureaucratic structures and heralds what Osborne and Gaebler (1992) have termed a ‘reinventing of government’. Here we see the emergence of network governance where Koppenjan and Klijn (2004, p. 25) observe: ‘In the world of network governance, government is understood to be located alongside business and civil society actors in a complex game of public policy formation, decision-making and implementation’.

This collaboration between public and private sectors is defined by Leitner and Sheppard (2002, p. 499) as an ‘inclusive governance structure’ where information can be exchanged between firms, the state and civil society. They explain that networks promote innovation and learning between the public and private sectors in ways that direct economic restructuring in positive directions and improve labour market information and training between the state and civil society in ways that deepen political participation. The result of these public/private partnerships (PPPs) are the creation of ‘relational assets’ (Stroper 1997), where the dividing lines between state institutions and institutions of civil society are harder to draw (Amin and Thrift 1995). This is an important aspect of network governance; the state still has an important role to play, but policy networks can ensure that political decision making is flexible, dynamic and efficient (Martin and Mayntz 1991). As Wanna (2009, p. 266) suggests, governments are redefining themselves as ‘facilitators’ ‘working through markets rather than acting as autarkic doers who owned, operated and produced everything themselves’. Williams (2002, p. 103) observes that through this mix of ‘strategic alliances, joint working arrangements, partnerships

and many other forms of collaboration' public services are being delivered across sectoral and organisational boundaries.

Yet these PPPs are also reworking notions of 'public authority' where market mechanisms are working to insert private sector interests into the realms of public policy making (Robertson and Dale 2013; Robertson et al. 2012). Cutler (2008) refers to this as the rise of 'private authority', and argues that edu-businesses are given significant freedom to shape the ideology of education policy reform. As Burch (2009) explains, in this environment the state's role has become 'highly technical' and 'organized around the management of contracts and the need for greater efficiency, while substance is shaped by the contracting private entity' (p. 34). Indeed, Shiroma (2013) found through her investigation of education policy networks in South America that private providers were able to apply pressure to the agenda setting and policy making processes of the state and were able to successfully influence 'the formulation, implementation and evaluation of education policies' (p. 19). So while the outsourcing of public policy may be based on the assumption that market-oriented management will lead to greater cost efficiency and improved success for governments, there are commensurate concerns here about the emerging capacity of edu-businesses to shape education policy problems and determine their solutions in ways that are commercially beneficial to themselves or their shareholders (Ball 2012; Robertson and Dale 2013).

Thus the role of edu-businesses in education policy processes is complex, still emerging and constantly evolving to take advantage of new opportunities in the education market. In this sense, there is no straightforward 'rule of thumb' that can be evoked to understand the relationships between edu-businesses, the state and education policy. Rather as Ball (2012) contends, the resulting policy field from these interactions is complex, volatile and difficult to trace. What is clear through, as Picciano and Spring (2013) argue, is that private providers are committed to the promotion of their beliefs, ideas, products and services in ways that further their own goals and objectives; that is, opportunities to profit. Picciano and Spring also suggest that it is important to remember that this new environment is not made up of one single entity conspiring to influence education policy, but rather, it is made up of multiple agents that compete with one another for contracts and sales of goods and services.

What I have been suggesting is this section, by tracing the restructuring of education governance mechanisms, is that state bureaucracies are now more heterarchical; that is, networked, horizontal relations cut-across the vertical ones, as well as stretching across regions and the globe in a complex mix of the public and the private. Clearly, these new understandings necessitate research methods that are sensitive to these new forms of social organisation or educational governance. Howard (2002) and Ball and Junemann (2012) have argued that new kinds of ethnographic methods—network ethnography—enable such tracings.

Methodology: network ethnography

Network ethnography is a methodological technique proposed by Howard (2002) to counter the challenges of studying organisational forms built around new media and

mobilities. I would also note that the new governance structures referenced above, and the associated increases in the opaqueness of education policy, can be productively analysed using a network ethnography approach. Primarily network ethnography argues that the Internet can be employed as a site for research, because an increase in Interactive Communication Technologies has provided qualitative researchers with useful techniques for collecting data on the policy networks produced through increasingly complex public–private interactions. Indeed, using the work of Kenway and Bullen (2001), I have promoted the idea of the network ethnographer as *cyberflâneur*, who can access the Internet and move through online communities, collecting information from websites, blogs, Facebook pages and twitter accounts. The *cyberflâneur* is able to move seamlessly between these spaces, travelling through what Beaulieu (2004) calls ‘links of association’. The approach to research that can be undertaken by the *cyberflâneur* redefines the ways in which researchers can engage with contemporary policy issues and inspires a remapping of how one is able to trace the flows and mobilities of policy today (see Hogan 2014). Importantly, digital methods of this kind go beyond a focus on researching Internet technologies and online relationships and representations to examine what these technologies and relationships can tell us about social conditions more broadly (Rogers 2013).

Network ethnography has been applied in a small number of studies to convincingly portray changing educational governance structures in policy production and implementation (see Ball and Junemann 2012; Olmedo 2013; Shiroma 2013). As Ball and Junemann (2012, p. 6) observe ‘this method constitutes a mapping of the form and content of policy relations’, where the network diagrams can be deployed as both ‘an analytical technique for looking at the structure of policy communities and their social relationships’ and a conceptual device that can be ‘used to represent a set of ‘real’ changes in the forms of governance of education, both nationally and globally’. Thus, network ethnography is able to visually portray changing educational governance structures and enables recognition of the heterarchical nature of education policy processes that are produced through vertical and horizontal relations between public and private actors.

This analysis is informed by the three interrelated activities of network ethnography including: (1) Internet searches; (2) the use of these searches to construct network diagrams; and (3) the use of these diagrams to identify nodes for further analysis, primarily through semi-structured interviews. To this end, I present two network diagrams that were constructed using Gephi software. These networks should be seen as visual explanatory devices, rather than strict analytical representations. As such, they encompass policy initiatives, policy actors and the interrelations between these to illustrate the complexity of contemporary policy networks. I rely upon Internet searches and a Freedom of Information (1982) request submitted to ACARA to map the policy networks associated with NAPLAN and to generate a network ethnographical account of the contexts of policy influence and production in Australia. This is supplemented with interviews conducted during 2013 as part of a broader project, and included here are three participants from ACARA, ACER and Pearson. These interviews were conducted over Skype and all names and positions have been de-identified throughout this paper to ensure participant anonymity.

NAPLAN policy network

As mentioned previously, the development and management of NAPLAN is a responsibility of ACARA. On this point ACARA (2011) states: ‘To ensure the delivery of a high quality and robust assessment program ACARA draws on both internal expertise and experts across Australia, all highly regarded in their relevant professional fields’ (para. 1). ACARA mentions that these experts include the likes of teachers, State and territory education authorities, the Australian government and other members of the non-government school sector. However, with no further information available on their website about who these experts are, or the role they play in the delivery of NAPLAN it is difficult to ascertain exactly how NAPLAN is developed and managed. Thus through both Internet searches and a Freedom of Information (1982) request I sought to unveil who these experts are and more specifically, understand whether edu-businesses in Australia, like those in the US and UK, are now being contracted to produce policy texts *for* the state (Ball 2012).

From this investigation, the NAPLAN contract network (Fig. 1) was constructed. This network diagram displays the contract arrangements that underpin NAPLAN, and as can be observed ACARA and State educational authorities contract edu-businesses in processes of developing, implementing and reporting on NAPLAN. This network is purposefully simple as it is designed to illustrate the key edu-businesses involved in this particular policy initiative. It can be observed from the diagram that there are nine lifecycle stages of NAPLAN which include:

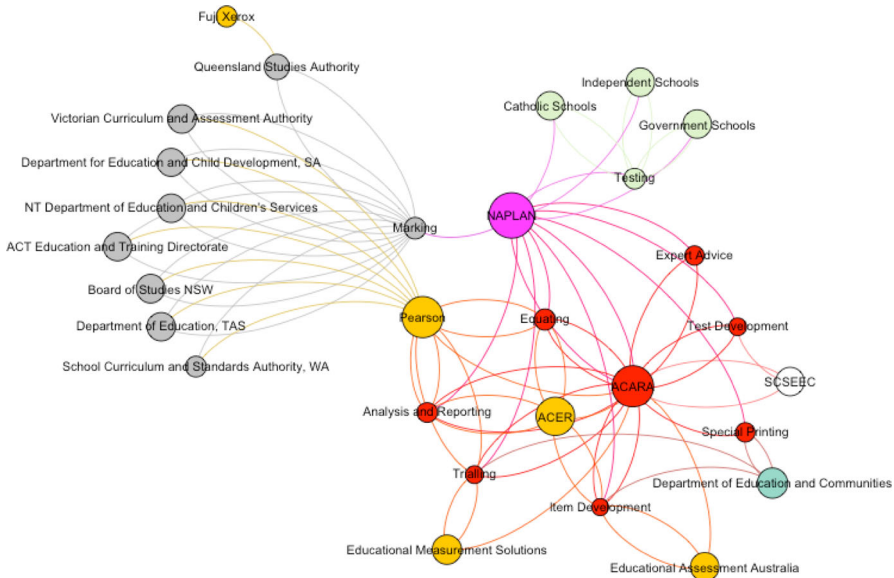


Fig. 1 NAPLAN contract network

1. Guidelines for test development
2. Item development
3. Consultation of expert advice
4. Trialling of test items
5. Equating of test items
6. Special printing of the test
7. Testing of students
8. Marking of the tests
9. Analysis and reporting of results

Out of these nine stages, ACARA is responsible for overseeing seven of them, and excluding the first stage undertaken by ACARA themselves in consultation with the Standing Council, contractors are used for the provision of all other relevant services. In 2012 the cost of these contracted services totalled \$4,266,341. While ACARA did not disclose the cost of individual contracts due to concerns for their ability to achieve value for money for future NAPLAN contracts, they did provide an aggregate dollar figure for a number of the lifecycle stages. Thus, item development cost \$2,075,717; trialling of the test items cost \$681,253; equating of the test items cost \$527,848; and the analysis and reporting of results cost \$610,247.

It is clear from the network diagram that there are four significant edu-businesses utilised by ACARA, which include ACER, Educational Measurement Solutions (EMS), Educational Assessment Australia (EAA) and Pearson. Also included on the network diagram is the Department of Education and Communities from the State of New South Wales who were contracted specifically for the desktop publishing of final papers, trial papers and special printing of tests for students with disability.

Those stages not overseen by ACARA include the administering and marking of NAPLAN, which is the responsibility of the States and Territories. The relevant State authority was contacted to ascertain how these processes were undertaken in their relevant jurisdiction. In every State the printing and distribution of NAPLAN materials was contracted to Pearson with the exception of Queensland who contracted Fuji Xerox for this process. The actual testing of students occurs in schools under the direction of school staff and the subsequent marking of the test is a process overseen by most of the relevant educational authorities in the States and Territories. However, in New South Wales, Victoria and the Australian Capital Territory, this process was also contracted to Pearson, and as such they are responsible for the recruiting, training and paying of NAPLAN test markers. This presents Pearson as a central agent in the NAPLAN policy network, as they have significant contractual obligations with Commonwealth, State and Territory governments.

Indeed, this NAPLAN network quite clearly represents the reconstitution of Australian educational governance, in which the state has relinquished its monopoly over education policy processes in favour of private sector involvement in matters of public service delivery (Ball 2007). This has led to what Osborne and Gaebler (1992) call the 'reinvention of government' which has enabled the state to understand that what it does best is the 'leading' or 'steering' of the education system through the setting of policy frameworks, not the 'doing' or 'rowing' of the

system through the provision of services. Davis et al. (1997) argue, that this move from government to governance has been mirrored by a turn to contractualism, where partnerships between the public sector and the private sector have become the new normal. In this new environment, as Patrinos et al. (2009, p. 1) observes, ‘government guides policy and provides financing while the private sector delivers education services’. This has led to the emergence of the education services industry where private actors, and edu-businesses in particular, are contributing to education policy and practice (Ball 2012). As Robertson and Verger (2012, p. 37) contend: ‘The private sector is now deeply embedded in the heart of the state’s education services at all levels, from policy and research work to delivering learning in classrooms’.

These increasing amounts of private activity have caused concern amongst a number of social commentators who believe that education as a public activity, serving the public interest, must remain within the control of the public domain. Yet, part of the post-Keynesian shift and the associated rise of neo-liberalism and New Public Management, means that the increased role of the private sector is envisioned in the national interest (Ball 2007). As Christensen and Laegreid (2007) assert, the primary aim is to modernise the public sector and render it more effective, which is based on the assumption that market-oriented management will lead to greater cost efficiency and improved success for governments. The ACARA representative I interviewed agrees with this sentiment:

In short: No. I don’t think we could operate as a modern organisation if we didn’t [contract edu-businesses]. We’d become massive in terms of staff, and then because the nature of the work we do is cyclical—particularly in relation to something like NAPLAN—so you’ll have an intense period where they’re doing central analysis of data, you’ll have an intense period where they’re developing tests for a particular year, you’ll have an intense period of equating. They’re very different skill sets, and so if you actually employed staff—it wouldn’t make much sense. You’d end up paying people to do nothing for long periods of time... A lot of the bits of work are way too complex I suspect for a loose set of people to just pull it together. Some things you sort of need the size of an enterprise—in our case with ACER for example, they’re obviously large enough to handle the complexity of the work, the quality assurance, and the risk management of the process we require.

Here ACARA clearly articulates that private sector involvement in education policy processes is a legitimate means of increasing the efficiency and effectiveness of public practice. Indeed, this government perspective is well theorised in the literature, given many studies have examined PPPs from this perspective. What is examined to a lesser extent are the perspectives of edu-businesses on these partnerships. Given this omission in current understanding, I asked the Australian Pearson representative why they are interested in partnering with public authorities on public policy initiatives:

No one’s got the answer, the single answer. I think it comes through collaborative efforts. We have as much to gain by engaging with governments

about, okay, where are you heading with your education systems? What are you thinking around assessments? How can we partner with you? Because we want the same result. We all want a positive outcome for learners... That's, I think, where we see ourselves, certainly in the future, is working more in collaboration with a government perspective, with State and Federal governments around what their initiatives are for education and where they can see a for-profit organisation like Pearson fitting in. For-profit doesn't mean that we appear to take money away. It's about how you spend your money more wisely, which is also a challenge these days for any government.

In this excerpt Pearson suggests that their primary aim is improving student outcomes, that this cannot be achieved by any one organisation working alone, and that engaging in PPPs will continue to be an important aspect of their business strategy into the future.

It is worth noting here that Pearson's increasing engagement with PPPs in the Australian context is representative of their global transformation that has been occurring over recent years where they have worked to shift their business strategy from education inputs (e.g. textbooks) to education outcomes. This is indicative of the increasing business opportunities that now exist in matters of public education policy (Ball 2012). Indeed, Pearson (2012, p. 39) argues that as the world's leading edu-businesses (reporting over four billion pounds in education sales during 2012), they have a responsibility to support educational improvement and are 'committed to playing an active role in helping shape and inform the global debate around education and learning policy'. Here we see the phenomenon described by Bishop and Green (2008, p. 177) as 'philanthrocapitalism' in which 'corporate social responsibility ... is being driven by the belief that doing good is profitable'. Pearson, across all of its organisational divisions, demonstrates the character of the 'new philanthropy,' whereby 'organisations involved display a variety of different and changing mixes of charitable, social enterprising and business identities and commitments' (Ball 2012, p. 89). This blurring and hybridisation between education as a social good and education as a profit opportunity might be seen as another manifestation of what Rose (1999) and Savage (2012) have called the 'neo-social' condition, in which there is a distinct elision of the social and the economic.

While the distinction between for-profit and not-for-profit edu-businesses is an issue that has received relatively little attention in contemporary analyses, Piketty (2014) has argued that in the wake of globalisation, neoliberalism, financial crises and the growth of inequality, large corporations like Pearson are facing increasing criticism from the public about their motives for public policy delivery. For example, popular and influential education policy actor, Diane Ravitch who was the former Assistant Secretary of Education in President George W. Bush's administration, is particularly outspoken about what she sees as the 'Pearsonization' of American students and schools. In a recent blog post titled 'The United States of Pearson' (2012) she writes:

It is difficult to remember what part of American education has not been invaded by Pearson's corporate grasp. It receives billions of dollars to test millions of students... With the U.S. Department of Education now pressing

schools to test children in second grade, first grade, kindergarten—and possibly earlier—... the picture grows clear. Pearson will control every aspect of our education system.

While the Pearson representative I interviewed described this sort of criticism as a ‘knee jerk reaction’ it does point to potentially serious implications about the increasing trend of PPPs in matters of education policy. However, as the ACARA representative points out, this concern is not linked to the fact that Pearson is a for-profit edu-business, rather this concern emanates from the risk of the public sector becoming reliant on, or constrained by, a particular private provider:

I guess technically a profit-making company has members, and it distributes its proceeds to the members. A not-for-profit one is just churning the money back into its own organisation, including through wages and so forth. So to some extent, I’d say we’re cautious of some not-for-profits which we think are probably taking as much, or a larger margin than commercial bodies. So I guess it’s really case-by-case. There’s some commercial players that we are a little bit suss on, because you know, cost cutting, are they just trying to overrun the marketplace? But there’s also not-for-profits that we’re concerned about because they charge too much, in the sense of when you’re trying to get value for money, it doesn’t matter what happens with the margin—whether it’s going to members of a company or whether it’s going back into research being undertaken by an organisation—if the margin is large, we don’t like it.

From this perspective then it seems too simplistic to judge an edu-business on whether they are not-for-profit or for-profit, as this is clearly not a distinction of good versus bad, nor is it one that is likely to influence who government authorities engage in partnerships with. As ACARA highlights, engaging in PPPs is a decision based on an economic assessment of ‘value-for-money’. Yet, looking at the NAPLAN contract network and the centrality of Pearson and ACER, is there a concern here that ACARA and other education authorities are becoming dependant on certain edu-businesses?

Problematising the increasing use of PPPs

Capturing the benefits of competition are often given as key reasons for outsourcing public services. This argument derives from standard market theory, where Burch (2009) observes that the outsourcing of public services creates a competitive market for public services, increases the quality of those services, and reduces costs for taxpayers. However, this economic efficiency argument is only valid if there is enough competition within the sector to ensure that the government agency doing the outsourcing is not constrained or captured by one particular provider. While ACARA believes that their procurement policy encourages competition in the Australian education market, an analysis of ACER’s broader education work would suggest that this is not necessarily the case. Indeed, from the network diagram below (Fig. 2) it is obvious that ACER’s contractual obligations transcend the boundaries

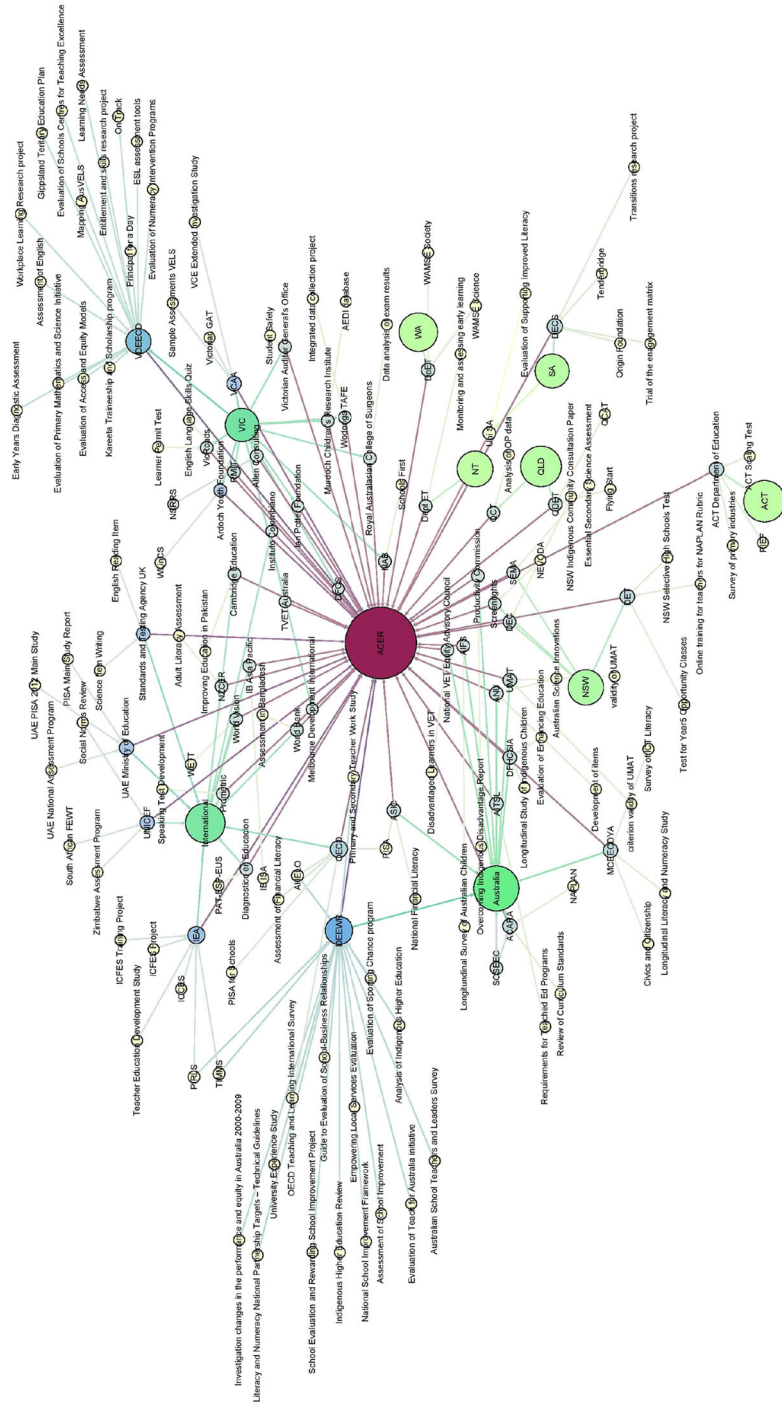


Fig. 2 ACER's contract network

of NAPLAN, as in 2012 they were contracted to work on 126 projects for 56 different agencies. Each of these projects are represented by the yellow nodes in the network, and their connection to the blue node represents the organisation that contracted ACER for the project-related work. The green nodes represent the location of these organisations, which range from the State level, through the Australian national level, to an international level.

From this network we can observe State educational authorities like the Victorian Department of Education and Early Childhood Development (VDEECD), contracted ACER to work on 15 different projects. Also, the Department of Education, Employment and Workplace Relations (DEEWR), which since 2012 has been replaced by two separate agencies, including the Australian Government Department of Education and the Australian Government Department of Employment, contracted ACER to work on 16 of their education projects. Similarly, there are links to international education projects headed by the likes of the Organisation for Economic Cooperation and Development (OECD), the International Association for the Evaluation of Educational Achievement (IEA), World Bank and UNICEF. This clearly highlights that ACARA is far from the only agency that uses edu-businesses in matters of education policy. Indeed, examination of ACER's contract network is able to identify that a vast majority of Australia's Federal and State education authorities and governmental institutions are reliant on PPPs.

While this reliance on PPPs is not unexpected given new forms of heterarchical governance, there are concerns here about the capacity of edu-businesses to shape policy problems and their solutions in ways beneficial to their organisation. Consider the fact that edu-businesses like ACER are not only developing and enacting policy processes on a national and State level, but they are also designing textbooks, practice assessments and school reform services targeted at the local level. Indeed, ACER suggests that there are two major aspects of their work. The first is to assist educational decision makers at all levels in their collection, analysis, interpretation and use of reliable data. The second is to assist educational decision makers at all levels in their identification and implementation of evidence-based policies and practices. To this end, as one ACER representative commented:

The products that we produce are largely in response to needs that we become aware of... So for example... evaluations point to what's working or not working with educational programs and resources, but also to resources that may be needed to support school students.

Thus, ACER is using their policy work to inform the construction of particular education resources or what may be construed in Ball's (2012) terms as the identification of policy 'problems' to which they can sell policy 'solutions'.

It is clear that this influence arises from working in partnership with governments, government institutions and even schools, and ACER is able to identify and respond to policy needs through their work in developing, consulting, evaluating, or making recommendations about public policies. Given this, these contracts and relationships are a key function for edu-businesses where ACER identifies that PPPs are:

[P]retty much a key part of the landscape at this particular point in time... and ACER, because of all the work we do in the evaluation and the collection of evidence, is in a particularly good situation to then propose or recommend policy directions, which is ultimately all we can ever do. We can simply recommend the directions and the shape the policy might take, it is up to the government to agree.

This notion of the government ‘agreeing’ with policy proposals is interesting. Hogan et al. (2014) have previously pointed to the idea that edu-businesses are working to over-simplify complicated policy issues. According to Verger (2012, p. 111), these simplifications or authoritative programmatic ideals act like ‘cognitive locks’ and work to ‘restrict decision-makers to certain intellectual paths, reduce uncertainty amongst policy-makers, and constitute broad cognitive constraints on the range of solutions that they perceive and deem to be useful for solving problems’. Thus there is a potential concern here about the ways in which edu-businesses might work to shape or influence education policy in specific ways.

Bessusi (2006, p. 18) makes the point that the promise of PPPs and new heterarchical policy networks and the mode of governance they represent are to ‘produce more effective and legitimate policies, without resting upon the authority and limitations of a single representative political body’. Yet if edu-businesses are working to undermine democratic policy processes for their own commercial advantage it seems that these heterarchical governance structures could equally contribute to undesirable consequences associated with the increasing privatisation of education policy processes. Indeed, Rizvi and Lingard (2010, p. 6) argue that the policy cycle can be a messy and contested space where policies are often ‘heteroglossic’ in nature, which means ‘they often mask whose interest they actually represent’. They make the point that this means that we must be aware of the ‘discursive work that policies do in constructing problems in certain ways, perhaps differently from what the best research-based empirical and theoretical analyses might suggest’ (p. 6).

Importantly, I am not suggesting that edu-businesses have taken over policy processes; the power of the state remains important here. As ACARA points out they set the contracts and select the best applicant for the job. However, what we can observe with the opening up of public policy processes to private sector participation is a shift in public/private relations, and a concomitant blurring over ‘who does what’ in matters of education policy. While the state’s agenda could be interpreted simply as a desire to reform education and improve student outcomes; there is a question here of whether in their desire for ‘solutions’ to their ‘problems’ they are becoming acquiescent to the policy agendas of edu-businesses?

This is pertinent to consider given these agendas are tied to profit making, and moreover are largely shaped by ‘generalists’ with little classroom experience or formal research background in education. Thus edu-businesses are increasingly contributing to policy discussions and setting policy agendas in ways that have displaced traditional experts. Indeed, edu-businesses are increasingly seen as a legitimate component of the knowledge-producing community, which is resulting in new understandings of what counts as education policy research, and is contributing to new tension around conflicting policy evidence produced by the likes of edu-businesses and members of the academy.

Conclusion

In this paper I have attempted to map Australia's changing governance structure and highlight the mix of public and private agents at work in education policy today. While NAPLAN is indicative of these new privatisations, it is clear from analysis of ACER's contract network that PPPs are widespread and firmly entrenched in Australia. While this is not a surprising phenomenon given the new heterarchical governance structures and increasing privatisations that now shape and influence education, what is potentially concerning are the ways in which these PPPs may work to redistribute power and responsibility in the production and implementation of education policy. This concern encompasses the potential democratic deficit in policy production today, in that edu-businesses have the capacity to shape policy processes in ways that they might be able to commercially benefit.

There is a final issue to raise briefly here about the enhanced role of edu-businesses in policy processes and how this points to changing notions of 'expertise' in education. Here I want to recall ACARA's statement that NAPLAN is delivered by 'experts' across the field. It seems problematic that experts in this case are not teachers, curriculum developers or even university researchers. Instead, experts are constituted by their ability to offer 'value-for-money' on competitive tender applications. There is a problem here about what groups are becoming excluded from, and included in, processes of public policy, as it is increasingly perceptible that edu-businesses are now closely associated with the role of policymaking and the state. This development has not only inserted new players and new relationships into education policy processes but has resulted in new understandings of what counts as 'effective' education policy. Here we are seeing an intensification of testing and accountability regimes as a logic of education reform, because I would aver, this is not only a technology of the neo-liberal education imaginary, but also a means by which edu-businesses can substantially profit as part of the emergent philanthrocapitalism.

In conclusion, I have demonstrated that Ball's (2012) argument can be applied to the Australian context when he observes that 'the private sector now occupies a range of roles and relationships with the state and educational state in particular' (p. 112). This growing involvement of edu-businesses in education policy processes and educational governance is contributing to a blurring and hybridisation between the 'public' and the 'private', which is leading to an increase in the opacity of policymaking. Within the functioning of these new heterarchical policy networks, Ball (2012, p. 8) points out that it is 'unclear what may have been said to whom, where, with what effect and in exchange for what'. Herein lies a significant new issue for education policy research.

References

- ACARA. (2011). NAPLAN. Retrieved from: <http://www.nap.edu.au/naplan/naplan.html>.
- Amin, A., & Thrift, N. (1995). Institutional issues for the European regions: from markets and plans to socioeconomics and powers of association. *Economy and Society*, 24(1), 41–66.
- Ball, S. J. (2007). *Education plc: Understanding private sector participation in public sector education*. Oxon: Routledge.

- Ball, S. J. (2012). *Global education Inc. New policy networks and the neo-liberal social imaginary*. Oxon: Routledge.
- Ball, S. J., & Junemann, C. (2012). *Networks, new governance and education*. Bristol: The Policy Press.
- Barabasi, A. (2003). *Linked: How everything is connected to everything else and what it means*. New York: Plume.
- Beaulieu, A. (2004). Mediating ethnography: Objectivity and the making of ethnographies of the internet. *Social Epistemology*, 18(2–3), 139–163.
- Besussi, E. (2006). Mapping European research networks. Retrieved from <http://www.bartlett.ucl.ac.uk/casa/pdf/paper103.pdf>.
- Bishop, M., & Green, M. (2008). *Philanthrocapitalism: How giving can save the world*. London: Black Publishers Ltd.
- Burch, P. (2009). *Hidden markets : The new education privatization*. Hoboken: Routledge.
- Christensen, T., & Laegreid, P. (2007). The whole-of-government approach to public sector reform. *Public Administration Review*, 67(6), 1059–1066.
- Cutler, C. (2008). Transnational law and privatized governance. In M. Pauly & S. Coleman (Eds.), *Global orderings*. Vancouver: UBC Press.
- Davis, G., Yeatman, A., & Sullivan, B. (1997). *The new contractualism?*. Melbourne: Macmillan Education Australia.
- Eggers, W. (2008). The changing nature of government: Network governance. In J. O’Flynn & J. Wanna (Eds.), *Collaborative governance: A new era of public policy in Australia?* (pp. 80–102). Canberra: ANU Press.
- Hogan, A. (2014). *Network ethnography and the cyberflâneur: evolving policy sociology in education*. Manuscript submitted for publication.
- Hogan, A., Sellar, S., & Lingard, B. (2014). *Commercialising comparison: Pearson, edu-business and new policy spaces in education*. Manuscript submitted for publication.
- Howard, P. N. (2002). Network ethnography and the hypermedia organization: New media, new organizationsn new methods. *New Media & Society*, 4(4), 550–574.
- Jessop, B. (1998). The rise of governance and the risks of failure. *International Social Science Journal*, 155(1), 29–45.
- Kenway, J., & Bullen, E. (2001). *Consuming children: Entertainment, advertising and education*. Buckingham: Open University Press.
- Koppenjan, J., & Klijn, E. (2004). *Managing uncertainties in networks*. London: Routledge.
- Leitner, H., & Sheppard, E. (2002). “The city is dead, long live the net”: Harnessing European interurban networks for a neoliberal agenda. *Antipode*, 34(3), 495–518.
- Lingard, B. (2011). Policy as numbers: ac/counting for educational researcher. *The Australian Educational Researcher*, 38(4), 255–382.
- Lingard, B., & Sellar, S. (2012). ‘Catalyst data’: perverse systemic effects of audit and accountability in Australian schooling. *Journal of Education Policy*, 28(5), 634–656.
- Martin, B., & Mayntz, R. (Eds.). (1991). *Policy networks: Emperocral evidence and theoretical considerations*. Frankfurt: Westview.
- Newman, J. (2001). *Modernising governance: New labour, policy and society*. London: Sage.
- Olmedo, A. (2013). From England with love... ARK, heterarchies and global ‘philanthropic governance’. *Journal of Education Policy*. doi 10.1080/02680939.2013.859302.
- Osborne, D. & Gaebler, T. (1992). *Re-inventing government*. Reading: Addison-Wesley.
- Patrinos, H. A., Barrera-Osorio, F., & Guáqueta, J. (2009). *The role and impact of public-private partnerships in education*. Washington DC: The World Bank.
- Pearson. (2012). Annual report and accounts 2012. Retrieved from http://www.pearson.com/content/dam/pearsoncorporate/files/cosec/2013/15939_PearsonAR12.pdf.
- Picciano, A., & Spring, J. (2013). *The great American education-industrial complex: Ideology, technology and profit*. New York: Routledge.
- Piketty, T. (2014). *Capital in the twenty-first century*. Cambridge: The Belknap Press of Harvard University Press.
- Ravitch, D. (2012). The United States of Pearson? Retrieved from: <http://dianeravitch.net/2012/05/07/the-united-states-of-pearson-2/>.
- Reckhow, S. (2013). *Follow the money: How foundation dollars change public school politics*. New York: Oxford University Press.
- Rizvi, F., & Lingard, B. (2010). *Globalizing education policy*. Oxon: Routledge.

- Robertson, S., & Dale, R. (2013). The social justice implications of privatization in education governance frameworks: a relational account. *Oxford Review of Education*, 39(4), 426–445.
- Robertson, S., Mundy, K., Verger, A., & Menashy, F. (Eds.). (2012). *Public private partnerships in education: New actors and new modes of governance*. Cheltenham: Edward Elgar.
- Robertson, S. L., & Verger, A. (2012). Governing Education Through Public Private Partnerships. In S. Robertson, K. Mundy, A. Verger, & F. Menashy (Eds.), *Public private partnerships in education: New Actors and modes of governance in a globalizing world* (pp. 21–42). Cheltenham: Edward Elgar.
- Rogers, R. (2013). *Digital methods*. Cambridge: MIT Press.
- Rose, N. (1999). *Powers of freedom: Reframing political thought*. New York: Cambridge University Press.
- Savage, G. (2012). Being different and the same? The paradoxes of ‘tailoring’ in education quasi-markets. *Journal of Pedagogy*, 3(2), 279–302.
- Shiroma, E. (2013). Networks in action: New actors and practices in education policy in Brazil. *Journal of Education Policy*. doi: 10.1080/02680939.2013.831949.
- Stroper, M. (1997). *The regional world: Territorial development in a global economy*. New York: Guilford Press.
- Thompson, G., & Harbaugh, A. (2013). A preliminary analysis of teacher perceptions of the effects of NAPLAN on pedagogy and curriculum. *The Australian Educational Researcher*, 40(3), 299–314.
- Verger, A. (2012). Framing and selling global education policy: the promotion of public–private partnerships for education in low-income contexts. *The Journal of Education Policy*, 27(1), 109–130.
- Wanna, J. (2009). Political chronicles, Commonwealth of Australia July to December 2008. *Australian Journal of Politics and History*, 55(2), 261–315.
- Williams, P. (2002). The competent boundary spanner. *Public Administration*, 80(1), 103–124.
- Williams, B. (2012). Centrifugal schooling: third sector policy networks and the reassembling of curriculum policy in England. *Journal of Education Policy*, 27(6), 775–794.

Anna Hogan is completing a PhD as a full time student in the School of Education at the University of Queensland. She is researching the role of edu-businesses in education policy processes globally and in Australia.