The “private” in the privatisation of schools: the case of Chile

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The “private” in the privatisation of schools: the case of Chile

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ABSTRACT

Privatisation of public services education is a key feature of the Global Education Reform Movement (GERM), where policy convictions, ideas, and strategies are integral to the “spreading and mutating” of reforms. While there are important projects that seek to describe and explain major changes to restructuring, ownership and funding, what has not been given sufficient attention is the role of the private in privatisation. By private, we mean the decisions and choices regarding educational services of (a) individuals and families and (b) school providers, and how issues that have traditionally been in the public domain (e.g. through government systems, on the agendas of local community/municipal schools) are no longer there (e.g. government systems have been dismantled and replaced with new providers, and local community/municipal schools either no longer exist or provide “safety nets” for those who fail in the market). What we intend focusing on is depoliticised privatism, where the role of the private in the supply and demand for school places illuminates a shift in the identification and addressing of educational matters from the politicised public to the depoliticised private domain. We report specifically on intellectual and empirical work regarding how supply and demand works in the provision of education services in Chile, particularly by looking at how those who own and work in schools view current reforms.

ARTICLE HISTORY

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KEYWORDS

Privatisation; Chile; voucher schools; Inclusion Law

Introduction

Improvements to educational provision in western style democracies are taking place through “pumped-up steroidal reform strategies” (Hargreaves, 2015, p. xix). Interventions are being made in ways that are changing the purposes of education, along with the identities and practices of children, parents and educational professionals. This is what Sahlberg (2015) calls the Global Educational Reform Movement (GERM), where the ideas and inspiration for radical policy ideas, claims and strategies have travelled around the world and have been enacted in a range of countries, bringing about changes to supply in order to impact on demand (competition between schools, focus on core subjects, test-based accountability, school choice). While Sahlberg (2015) does not include “privatisation” in
the book index, it is clear from the analysis of these reforms, and the counter-hegemonic
evidence and arguments provided in the account of the Finnish approach, that privatisation
is a key feature of what is happening within GERM. Privatisation is an issue that is being
given significant research attention (e.g. Verger, Fontdevila, & Zancajo, 2016) whereby the
selling off and relocation of public assets, and the entry of private individuals and enter-
prises into the education market is being charted (e.g. Ball & Youdell, 2008; Bellei & Orellana,
2014; Hogan, Sellar, & Lingard, 2016), and where the wider neoliberal and neoconservative
processes are being named and analysed (e.g. Apple, 2001; Burch, 2009; Gunter, Hall, &
Apple, 2017; Saltman, 2010; Spring, 2012). Our contribution to this body of primary research
and theorising is to put the focus on Chile as a recognised site where the privatisation of
education has been tested out and delivered. What we do that is distinctive is to shift the
focus to the “private” in “privatisation”, and we relate the private to processes of depoliti-
cisation. Building on Gunter, 2018, 2019) we deploy “depoliticised privatism” where we give
less attention to “selling-off public assets” or “entering new markets created through
deregulation” and instead we focus on what the realities of working “privately” mean for
educational services.

**Depoliticisation and the role of the private**

Privatisation is conceptualised as “the shift from government provision of functions and
services to provision by the private sector” (Priest, 1988, p. 1), where “a family of
privatisation ideas” have emerged regarding the reform of public services such as selling-off, public-private partnerships and contracting out (Hodge, 2006, p. 3). The
role of the nation state does vary in the design and enactment of privatisation but the
tendency is for the state to retain sovereign authority through legislation and policy
design, where the change for the state is to operate as the delivery regulator rather than
provider of service standards (see Gunter, Grimaldi, Hall, & Serpieri, 2016). In regard to
educational services there has been a shift from universal access to local schools that are
owned, funded, and run by the state on behalf of the public, to schools as autonomous
small businesses (sometimes in branded chains) where the state variously awards,
manages, evaluates and renews/cancels delivery contracts:

> …privatisation refers to the transfer of public-sector responsibility to privately owned or
operated organisations or companies, for example non-governmentally run schools such as
private or charter schools. Often the result is that the public pays taxes to private or quasi-
private organisations for services, but the organisations have little public accountability
because they are not elected bodies or politicians. (Adamson & Åstrand, 2016, p. 8)

Starr’s (1988) identification of four types of privatisation policies remains pertinent to
identifying global trends in the privatisation of education services: first, the withdrawal
of government from supply, for example, from targeted reform strategies such as free
schools in Sweden (Åstrand, 2016) through to major system redesign (Buras, 2015);
second, the formal “transfers of public assets to private assets to private ownership”
(Starr, 1988, p. 16), for example, the UK government handed over buildings, land and
other assets to school providers in England (Beckett, 2007); third, the use of public
funding to “finance private services” (Starr, 1988, p. 17), for example, in the USA the
inter-relationship between the “no failure” requirements of No Child Left Behind and
supplementary education services (Koyama, 2010); and fourth, the “deregulation of entry into activities previously treated as public monopolies” (Starr, 1988, p. 17), for example, global deal-making through networks (Spring, 2012) and “edu-businesses” (Mahony, Hextall, & Menter, 2004) such as Pearson have impacted on the design and development of learning resources, technology and testing in a range of national systems (Hogan, Sellar, & Lingard, 2015).

Privatisation of public services such as education is a visible reform within a wider governing by depoliticisation strategy whereby debates and decision-making about education are being relocated away from the public arena and political representatives in public institutions:

depoliticisation can be defined as the set of processes (including varied tactics, strategies, and tools) that remove or displace the potential for choice, collective agency, and deliberation around a particular issue. (Fawcett, Flinders, Hay, & Wood, 2017, p. 5)

A number of features have been identified by Wood and Flinders (2014, p. 165) and can be recognised in educational services: first, “governmental depoliticisation” or the shift of decisions from political institutions (parliaments, ministerial committees), towards arms-length bodies that deliver policy through contracted consultants (e.g. Gunter & Mills, 2017); second, “societal depoliticisation” or the shift from public issues and agendas towards the individual and family regarding opportunity choices for philanthropists (e.g. Saltman, 2010) and parents (e.g. Feintuck & Stevens, 2013); and third, “discursive depoliticisation” or the shift from private issues and agendas to “fate”, “events” and “necessity” where something only matters if it is raised by individuals with others through the media or public protest or philanthropic gifting (e.g. Gunter, 2018). The restoration of private decision making, control and ownership of public assets and services, means that access to education as an issue (purposes, schooling, professional accreditation and recruitment, curriculum, funding and outcomes) is now a matter for individuals and families, or no one at all unless there is a reason to put education onto an agenda (e.g. a front-page newspaper headline, a campaign by a charity or the focus of philanthropic claims and investment).

Depoliticisation as the governing strategy through which privatisation is taking place, shifts the emphasis away from “selling off” assets or the introduction of market mechanisms towards the private person in order to relate their beliefs and interests to decision-making. This is what Macpherson (2011, p. 3) identifies as “possessive individualism” or the:

conception of the individual as essentially the proprietor of his own person or capacities, owing nothing to society for them. The individual was seen neither as a moral whole, nor as part of a larger social whole, but as an owner of himself.

Consequently, freedom is a property that is integral to this private ownership of the self, or “freedom from dependence on the wills of others” (Macpherson, 2011, p. 3), and where “society consists of relations of exchange between proprietors” (Macpherson, 2011, p. 3). This standpoint is shared within what Apple (2001) identifies as an “alliance” between neoliberal and neoconservative libertarian ideas, values and beliefs, that are evident in a range of ideological scoping (e.g. Friedman, 2002; Hayek, 1944) and practical discourses about educational services (e.g. Chubb & Moe, 1990; Cox & Dyson, 1968; Tooley, 2000;
A core argument is that the politicisation of education (through tax funded provision and regulation by state institutions and professionals) is both damaging and wrong, and so the state should withdraw from regulating exchange relationships. Where gains have been made through “de-nationalisation” and the creation of personal and organisational “autonomy” there should be resistance to any calls or moves to re-politicise or bring back what is a private matter into public political processes and ownership. Such ideas and discourses are about returning to a time when private property, family resources, beliefs and kinship determined service access, quality and provision, and so is a militant rejection or what Harvey (2007, p. 3) identifies as the “creative destruction” of politicised public services provided by and for the public through state systems.

Consequently, in order to understand privatisation there is a need to engage with the meaning of the private in privatisation. What we mean by this is the need to consider: first, the private or the individual (networked biologically in families and legally in contracts) in regard to decisions about property – regarding assets (e.g. land) and resources (e.g. beliefs); second, privacy or the individual who decides what matters and frames exchange relationships, and so is free from the scrutiny of others; third, the entitlements afforded through securing the “private” and “privacy” generates a justified protection of relational borders with others, where being denied the “private” and “privacy” is a form of deprivation. Hence our approach to the private is through a focus on a form of privatism or “withdrawing” “from civic concern to the pursuit of self-interest” (Starr, 1988, p. 9). While research is providing glimpses into what privatisation means for public systems of education (e.g. Ravitch, 2014) and the attack on participatory democracy (e.g. Ball, 2015; Schirmer & Apple, 2017) there is little examination of the private in privatisation or the bigger picture complexities in the interplay between politicisation-depoliticisation-repoliticisation. Our argument is that the interplay of depoliticisation trends with privatisation strategies is what Gunter (2019) identifies as “depoliticised privatism” or how the individual is the focus, site and outcome of decision-making.

We take this forward by examining education policy reforms in Chile in two main ways (a) by telling the story of what MacLean (2017, p. 224) characterises as “sudden percussive policy bombing” regarding the impact of the 1973 coup on public services such as education; and (b) using empirical data to illuminate how deliberate “shock and awe” policy shifts are experienced by educational professionals. Chile’s adoption of radical privatisation is recognised as an important site for investigation by educational researchers (e.g. Seppänen, Carrasco, Kalalahti, Rinne, & Simola, 2015; Treviño, Mintrop, Villalobos, & Ordenes, 2018; Verger et al., 2016) but we bring new insights through the deployment of depoliticised privatism to understand the public subsidy of private schools as site-based businesses. The complex dialogical interplay between depoliticisation from the 1970s in tension with current repoliticisation campaigns and demands that has led to the Inclusion Law raises questions about the private-public interface.

The development of educational privatism in Chile: an overview

Harvey (2007) argues that the major privatisation reforms in western style democracies such as the USA and England took place through democratic institutions, processes and practices whereby Reagan and Thatcher exercised legitimacy through elections. However, in Chile and Argentina the changes were “swift, brutal and sure” through
the rupture of “a military coup backed by the traditional upper classes (as well as the US government), followed by the fierce repression of all solidarities created within the labour and urban social movements which had so threatened their power” (Harvey, 2007, p. 39). Following a coup against the Allende government in September 1973 Pinochet took power and established what has been described as a “civic authoritarian neoliberal regime” (1973–1989) (see Kauko, Corvalán, Simola, & Carrasco, 2015). The anti-public ideas of Friedman (2002) were then embedded in Chilean policies and practices through the entry of University of Chicago trained economists or “Chicago Boys” into government; they introduced a radical programme of denationalisation, the removal of labour rights, and the expansion of private involvement in practically all social services. These historical events from the mid 1970s represent a defeat of a democratic-egalitarian societal project by a civic-military regime which reshaped the link between society and state (Carrasco, Seppänen, Rinne, & Falabella, 2015; Kauko et al., 2015). The construction of consent through coercion in Chile impacted on the speed and intensity of change, where depoliticised privatism became the governing strategy for reform innovation. Democratic governments after Pinochet, or what Kauko et al. (2015) called the “social-democrat neoliberal post-dictatorial rule” (1990–2014) retained the neoliberal educational project, where the centre-left coalition extended market mechanisms.

By taking Chile as a case we articulate the major changes that unfolded to the supply and demand of educational services, and these are listed in Table 1:

**Table 1. Development of education reforms in Chile.**

<table>
<thead>
<tr>
<th>Year</th>
<th>Law</th>
<th>Description</th>
</tr>
</thead>
</table>
| 1981 | Decentralization law and change of funding system (vouchers) | - State/public schools were given to municipalities  
- Funding is allocated according to enrolment  
- Private providers can open schools and get vouchers  
- Private and municipal schools should compete for students to get funding (vouchers) |
| 1988 | SIMCE  
* Sistema de Medición de la Calidad de la Educación | Assessment of schools to be published at national and school levels which has gradually increased over last 30 years the subjects, frequency, grades, and samples of the test as well as the consequences of its outcomes over schools. |
| 1993 | Co-payment law | Only subsidised private schools are allowed to charge a fee to families (not municipal) |
| 2008 | SEP Law | Extra vouchers to low socioeconomic students |
| 2009 | General Law of Education; regulation to new providers | New providers should fulfil two requirements: (i) to hold a professional degree  
(ii) not have been prosecuted for sexual issues |
| 2012 | National System of Quality Assurance | Two new national agencies were created: Superintendence of Education and Office of Quality (high-stakes accountability measures using SIMCE standardised national test, which include closing underperforming schools). |
| 2016 | Inclusion Law: (a) banning selection, co-payment, and for-profit; (b) regulation to new providers | (a) while subsidised private schools will continue operating and getting state vouchers, students’ selection, co-payment, and for-profit is banned;  
(b) New providers should apply to a local educational authority who will decide if the opening of a new school is authorised based on two criteria:  
(i) Enough pupil demand should exist in the local area (to avoid competition)  
(ii) The new provider should offer an educational project non-existent within the local area |

Source: authors’ elaboration
From 1981 private providers were allowed to set up schools in competition with “public” provision by municipalities. Such private providers own the business, can open and close a school, and can hire and fire teachers. Teachers were “deregulated” through termination of their status and conditions of service as civil servants. Depoliticised privatism is evident in the privacy of the school owner to own and to decide, and to the workforce who are employed by private owners. Headteachers of subsidised private schools may be the school owner, and if not, they are privately appointed by the school owner, with a private contract that is regulated by national workforce legislation.

Table 1 also shows the extension of privatism by relocating decisions about school quality to the family. There are two main ways this was done: first, the introduction of vouchers, where a parent can “spend” the vouchers on the school of their choice, and so the funding of a school is directly related to the enrollment of children; and second, in 1993 “co-payment” was introduced where a school could charge a fee on top of the vouchers (see Valenzuela, Bellei, & de Los Ríos, 2013). Schools could control admissions in other ways through the adoption of entry tests and other forms of information gathering about the child’s suitability to attend the school (Carrasco, Gutiérrez, & Flores, 2017; Contreras, Sepúlveda, & Bustos, 2011).

The private parental decision regarding the best school place is related to performance data. As Table 1 shows the importance of school performance in the market place has been enabled through the introduction of the School Quality Measurement System (or SIMCE, Sistema de Medición de la Calidad de la Educación) from 1988 (see Meckes & Carrasco, 2010), and an accountability system at national level to pressure on schools to raise standards (see Falabella, 2016; Verger et al., 2016).

The changes to the public system have been dramatic. In 1981 public schools educated 81% of the population (known as municipal-public); it is now 37%, and such schools are in areas of socio-economic disadvantage and have lower funding. The rapid rise has been in “subsidised-private schools” (SP), which now educate 57% of children, except high-social-class children who tend to access the private sector (Carrasco et al., 2015; Treviño et al., 2018). It is within the prominence and normalisation of SP schools that we can see the realities of depoliticised privatism, and notably what might be identified as forms of extreme privacy:

- Parents are allowed to choose any school. They may not get a place in their first-choice school, and so they have to keep applying to schools until they do get a place, and if they do not get a place in an SP school then the municipal-public school remains as a safety-net;
- Schools in effect select children based on (a) the use of “co-payment” whereby parents pay a fee that adds to the state voucher subsidy, and that fee can be related to the income of parents that the school wants to attract; and (b) the use of testing whereby parents gain a school place through paying for test preparation;
- Anyone can inherit or set up a school as a business, and can decide to continue or close the school. There are low barriers to entry for enterprises to become private education providers and receive state subsidies.
- The school owner decides on the type and level of investment in the school, the size and composition of the workforce, and what goes on in the classroom. School owners tend to experience low accountability mechanisms in terms of financial, pedagogical, and organisational issues (see Carrasco et al., 2015).
The impact of these reforms has witnessed growing inequalities for children and families. The OECD (2017a) reports that in spite of improvements the “incomes of the richest are still more than 25 times those of the poorest” (unpaged), and in reviewing the education system the OECD (2017b) calls for coherence, quality and professionalism that strengthens state regulation. Table 1 shows a recent set of reforms designed to deal with these trends and enacted in the post 1990 return to democracy. In 2009 the regulation of providers was strengthened, and from 2016 more planning was introduced in the opening of new schools. Notably, a set of educational reforms have been enacted by President Bachellet’s government (known as the Inclusion Law), which includes transforming the way in which the system is organised (eliminating for-profit, co-payments, and academic selection in public and private-subsidised schools), creating, among other initiatives, a new school admissions system. These reforms, while preserving the architecture of the education system (national vouchers, mixed public-private provision, and competition) actually set out to strengthen parental choice through a form of parentocracy (Brown, 1990). Importantly such policy turbulence requires empirical work, and it is to this that we now turn.

**Studying privatism in Chilean subsidised private schools**

The shift encoded in the Inclusion Law towards parents and their ability to exercise choice is about adjustments to the demand side of the market rather than a full scale repoliticisation into a public system. The reforms are based on evidence that schools have incentives to deny parental choice, particularly how they can improve the brand by choosing the students who are easiest to educate, in other words by operating a student selection-centred model rather than a school choice-centred model. In particular, research has documented that SP schools use significantly more selection procedures than municipal-public schools (Carrasco et al., 2017; Contreras et al., 2011). Chile is relocating the power to choose from school owners to parents by adopting a centralised admission system where schools must accept any student who applies, and oversubscription is dealt with by inclusion criteria, and then, a lottery (Carrasco, 2018). This policy change removes some of the risk for parents but it is challenging for SP schools because the owner is no longer allowed to choose students and this reduces their chance of creating a particular school composition. This is impacting on the complexities around depoliticisation where there are different “privates” regarding the parent at home and the school owner in their office, and different types of school owners in a diversified system that generates isolation. Importantly while this change is potentially empowering for all parents, elites as parents and as school owners continue to dominate in a highly segregated society (see Castro-Hidalgo & Gómez-Álvarez, 2016).

We bring new data to this matter from the New Private Educational Sector in Chile: Entrepreneurialism and Competition project (or PES project) that has been funded by the UK ESRC Newton Fund. This project is based on a large-scale research design studying the complexity and nuances of subsidised private provision in Chile. This article reports on data from 588 subsidised private (SP) schools (mainly primary schools but some all-through schools that include both primary and secondary age levels), whereby headteachers completed a questionnaire regarding a range of issues. While there are changes underway for SP schools regarding the regulation of supply (admission, co-payment, for-profit), unlike municipal-public schools they will retain full decision-making autonomy regarding key pedagogical issues. We present extracts from our data by reporting on the views of headteachers regarding: first,
decision-making practices and issues of teacher recruitment, planning, and teaching allocation; and second, the impact of the new reforms on school admissions. Importantly our data illuminate the complexities of depoliticised privatism at a time of ongoing reform, where those who own and work in schools remain a private business, whose views on business survival and development interplay with views about the income levels of parents and the local community.

**Privatism and decision-making in the voice of Chilean headteachers**

In Chile, SP schools have full autonomy to decide many issues on their own. After all, SP schools are organisations that are privately owned, and staffed by headteachers and teachers who are private employees of the business. It is important to note that in an undetermined but significant number of schools, school owners are at the same time school headteachers. School owners can decide to hire and fire staff, to close the school, to sell the building and land, and such decisions are private ones protected by the normalisation of privacy. The role of the headteacher and teachers is to deliver an educational product to customers who have chosen to send their child to that school, and who can move their child to another school. The privacy of decision-making within the school operates at a number of levels: in the idea and reality of business ownership, and in the views of employees. While research is providing evidence of the major changes involved in privatisation (e.g. Verger et al., 2016), we know little of the dynamics of what it means to own and work in a publicly subsidised business. To illustrate this, we asked head teachers about decision-making in regard to three key issues in providing education, and the data is presented in Table 2:

**Table 2. Who makes decisions?**

<table>
<thead>
<tr>
<th>School socioeconomic level</th>
<th>Low (41)</th>
<th>Middle-low (124)</th>
<th>Middle (221)</th>
<th>Middle-high (127)</th>
<th>High (13)</th>
<th>Total (526)</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. Definition of planning classroom lessons</td>
<td>Head teacher</td>
<td>85.4%</td>
<td>91.1%</td>
<td>94.1%</td>
<td>86.9%</td>
<td>76.9%</td>
</tr>
<tr>
<td></td>
<td>Other middle school leaders (e.g. teacher’s deputy)</td>
<td>78.1%</td>
<td>88.0%</td>
<td>92.8%</td>
<td>94.8%</td>
<td>100%</td>
</tr>
<tr>
<td>ii. Allocation of teaching hours or working time</td>
<td>Owner</td>
<td>79.5%</td>
<td>69.4%</td>
<td>65.1%</td>
<td>59.4%</td>
<td>50.9%</td>
</tr>
<tr>
<td></td>
<td>Head teacher</td>
<td>80.0%</td>
<td>92.0%</td>
<td>94.0%</td>
<td>93.9%</td>
<td>92.9%</td>
</tr>
<tr>
<td></td>
<td>Other middle school leaders (e.g. deputy teacher, department coordinator)</td>
<td>55.0%</td>
<td>67.7%</td>
<td>73.2%</td>
<td>77.8%</td>
<td>84.6%</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>2.6%</td>
<td>3.5%</td>
<td>8.6%</td>
<td>1.7%</td>
<td>0.0%</td>
</tr>
<tr>
<td>iii. Teachers’ hiring</td>
<td>Owner</td>
<td>92.3%</td>
<td>82.9%</td>
<td>80.9%</td>
<td>76.9%</td>
<td>70.9%</td>
</tr>
<tr>
<td></td>
<td>Head teacher</td>
<td>77.5%</td>
<td>92.0%</td>
<td>96.3%</td>
<td>94.7%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Other middle school leaders</td>
<td>32.5%</td>
<td>50.4%</td>
<td>56.8%</td>
<td>58.7%</td>
<td>61.5%</td>
</tr>
</tbody>
</table>

$\chi^2$: *** $p < 0.001$; ** $p < 0.05$; * $p < 0.1$

Note 1: Socio-economic level is an administrative variable based on SES category from standardised national survey SIMCE 2015.

Note 2: In relation to school members, the table shows only those exhibiting significant association to SES category. See Annex 1 for the original question and school members.

Note 3: In Chile, some schools provide only primary education (K to 8) and some offer both primary and secondary levels of education. In our sample, 48.5% (285) are “primary schools only” and 51.5% (303) are “primary and secondary”.
By focusing on the total column (where there are statistically significant differences for all except for owners), it is clear that privacy works for headteachers and teachers who control lesson planning, and have a significant role in the allocation of working time. We also note the control that owners have in regard to staff management (64.3% for working time; and 80.2% for staff appointments), and how such decisions are only accountable through the market and not through the oversight of public accountability. In addition, the descriptive data show variation across SES levels in regard to dealing with issues of teacher management. Owners of schools in the lowest socio-economic communities have a stronger role in decision-making over staff management and hiring than owners that serve wealthier families. Indeed, schools in higher SES communities have more funding and so the owners can steer the headteacher and staff regarding management decisions while keeping control of the criteria to be used in decision-making. This can also be observed in the fact that “other middle school leaders” in the higher socio-economic communities have a stronger role in decision-making over staff management and hiring teachers than “other middle school leaders” that serve more disadvantaged schools.

What this data also show is how private providers are segmented in regard to the direct exercise of private decisions. Owners of schools in medium to high socio-economic areas have a strong role in staff management decisions, but this is less than headteachers in schools where communities are disadvantaged. It seems that strong business-oriented owners with schools serving middle-class communities are more likely to delegate to the headteacher and other staff, whereas owners of schools in low-income communities have a more “hands on” approach to education provision, even “allocating teaching working time”, not necessarily for control purposes, but seemingly because they do not have enough staff to run their schools.

Our data suggest that privatism is working in ways that are related to owner-employee dynamics, and the income levels of the communities in which schools as site-based businesses are operating. Overall, the school owner is in charge, and can make the ultimate decision to hire and fire, to open and close the school. But what is distinctive is how headteacher and staff autonomy is contingent on the socio-economic context in which the school is located, and how the owner may have to make their private role more obvious in low-income areas because of the challenges of hiring and retaining staff. Additional comments can be made about a link between educational inequality and the working of privatism since schools in lower socio-economic communities are run by headteachers and owners exhibiting less resources, less professional training, with no institutional network or external support. Corvalán, Elacqua, and Salazar (2009) report on the heterogeneity of the subsidised private sector using administrative data to explore who are the owners of these schools. One of the main findings is the high fragmentation of the sector, where only about 15% of schools have owners who operate between two and five schools that are networked through business, philanthropy or religious organisations. The vast majority of SP schools (about 85%, or almost 5,000 schools) are operated by owners as a “small family business” (where the role of owner and head teacher is overlapped), or “for-profit entrepreneurs”, or “charity enterprises” without any institutional support, capital investment, or professional networking. They operate totally independently and possess broad autonomy to make economic, organisational, and pedagogical decisions. Hence, depoliticised privatism works differently according to the relationship of the school as a business, where the majority of schools are isolated and are left to serve more disadvantaged students without major control or support apart from the vouchers.
Privatism and reforms: headteachers and the Inclusion Law

A second area of decision-making where SP schools have autonomy is in student recruitment, and as already noted a range of methods are used such as co-payment and testing. Faced with the changes to this process through the new Inclusion Law (see Table 1) our data collection included a question about views regarding the end of schools selecting students and the use of co-payment.

Table 3 presents data in response to a question about the impact of the changes to the private control by the school over the composition of the student population. All results are statistically significant. This data shed light on how schools react when private decision-making is constrained.

Table 3. The new inclusion law banning student selection.

<table>
<thead>
<tr>
<th>Banning selection/eliminating co-payment “Will limit the school’s ability to build a unified community with a common educational project?”</th>
<th>School socioeconomic level ¹</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low (n = 41)</td>
</tr>
<tr>
<td>Very much disagree</td>
<td>41.5%</td>
</tr>
<tr>
<td>Disagree</td>
<td>39.0%</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>9.8%</td>
</tr>
<tr>
<td>Agree</td>
<td>4.9%</td>
</tr>
<tr>
<td>Very much agree</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

χ²: p = 0.000

¹An administrative variable based on SES category from standardised national survey SIMCE 2015.
Source: authors’ elaboration

First of all, there is no consensus among SP schools. About a third of headteachers are saying that they do see a problem with the impact of the reform on controlling the composition of the school community, but about a half are saying there is no problem and hence do not see that control is being lost. It seems as if the new law is not being recognised as intervening in the privacy of decisions to exclude children. However, when we look at the responses in regard to the school’s socio-economic context we can see an important pattern in the responses. There is a strong association between the income levels in the communities that the school serves and support for the inclusion law. Schools in middle to higher socio-economic contexts are more likely to agree (summing “very much agree”) that the new law will impact on the control of the school composition (middle-high 43.1% agree or very much agree, and 38.4% disagree or very much disagree; high 37.5% agree and 31.3% disagree), whereas schools in lower-income areas are less likely to agree with the statement and are more in support of the law (middle-low 24.4% agree or very much agree, and 60.2% disagree or very much disagree; low 4.9 agree and 39% disagree). Consequently, the changes are recognised as clearly impacting on the ability of SP schools in high-income areas to control their student body composition in the marketplace.

Table 4 presents the data in response to the same question but this time focused on the law banning co-payment. This law will prevent schools from controlling access through the payment of a fee as a top up to the vouchers as a means of increasing school resources and controlling the composition of the student population.
Again there is no clear picture. It seems overall about 24.8% of respondents agree or very much agree that the change will impact on the control over the composition of the school, with a much larger response (57.4%) disagreeing. It seems as if the notion of privacy is not viewed as under threat by the change in the law and the removal of school access from private decision-making. However, there is a trend in the data that show how the socio-economic context in which the school is located impacts on this viewpoint. Headteachers in schools in low and middle-low socio-economic areas are more likely to disagree or very much disagree (Low 74.3%; Middle-Low 67.5%) with the law impacting on their capacity to control access than those in high-income areas (High 42.8%; Middle High 46.5%). Again, it seems that those who own and work in schools in high-income areas see the reforms as impacting on their privacy as business owners and employees.

Overall just under a third of respondents (Table 3, 30%; Table 4, 25%) are saying that the two main changes (banning student selection and co-payment) in regard to school admissions will impact on the ability to control the composition of the school. When read alongside the “neither agree nor disagree” data of around 17% for both Tables 3 and 4, the situation is complex with a sizeable group of headteachers having clear concerns combined with headteachers who have not yet taken up a position. However, what remains clear is how the segregation in communities and schools in relation to income impacts on how the reforms are being viewed. Depoliticised privatism regarding school admissions is working out differently according to the socio-economic context in which the school as a business is located. The risks involved are viewed and being handled differently: first, the challenges of the reforms to the privacy of owners and employees remains a stronger feature of schools in high-income areas; and second, it seems that the isolated “private” conditions of the school’s owner working in lower SES contexts may explain their willingness to adopt the Inclusion Law because it increases the funding support to all schools.

### Summary

Depoliticised privatism is the main feature of privatisation of public education in Chile, where the neoliberal reforms over the 1980s redrew the boundaries in favour of the type of school that is a private business, subsidised by the tax payer, but run by owners and their employees. Such SP schools now dominate the market where school owners and

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**Table 4. The new inclusion law banning co-payment.**

<table>
<thead>
<tr>
<th>Banning selection/eliminating co-payment “Will limit the school’s ability to build a unified community with a common educational project?”</th>
<th>School socioeconomic level¹</th>
<th>Low (n = 39)</th>
<th>Middle Low (n = 117)</th>
<th>Middle (n = 212)</th>
<th>Middle High (n = 127)</th>
<th>High (n = 14)</th>
<th>Total (n = 509)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very much disagree</td>
<td>25.6%</td>
<td>26.5%</td>
<td>16.0%</td>
<td>9.5%</td>
<td>7.1%</td>
<td>17.3%</td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>48.7%</td>
<td>41.0%</td>
<td>40.1%</td>
<td>37.0%</td>
<td>35.7%</td>
<td>40.1%</td>
<td></td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>18.0%</td>
<td>15.4%</td>
<td>18.4%</td>
<td>18.1%</td>
<td>28.6%</td>
<td>17.9%</td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>5.1%</td>
<td>13.7%</td>
<td>19.8%</td>
<td>20.5%</td>
<td>14.3%</td>
<td>17.3%</td>
<td></td>
</tr>
<tr>
<td>Very much agree</td>
<td>2.6%</td>
<td>3.4%</td>
<td>5.7%</td>
<td>15.0%</td>
<td>14.3%</td>
<td>7.5%</td>
<td></td>
</tr>
</tbody>
</table>

χ²: p = 0.003

¹ An administrative variable based on SES category from standardised national survey SIMCE 2015.

Source: authors’ elaboration
headteachers have important views on the impact of new regulations that are giving parents more control in the supply–demand exchange relationship. Our data give glimpses into how depoliticised privatism is working within local decision-making: first, the SP school remains privately owned, where the business continues to be enabled through state subsidy (or vouchers); second, the control of the SP school curriculum, staffing and organisational processes remains private, where position taking on the impact of the new regulations regarding the control of the composition of the student population varies according to the socio-economic context in which the school is located; third, the risks involved in running an education business also vary in regard to the socio-economic context of the school, where owners are more hands on in low-income communities largely because staff recruitment is difficult and this impacts on delegation. In summary, depoliticised privatism remains a valid descriptor for the working of supply and demand in regard to school provision, but what we do not yet know is how forms of “risky isolation” within the dynamics of “possessive individualism” (Macpherson, 2011) will play out in terms of supply – how owners strategise in order to sustain the business or leave the market and invest in other products, or in the case of isolated and deprived owners leave the role of school providers and become employees; and demand – how parents will use their “new” consumer rights particularly since school owners will continue to receive the same money that they are currently charging parents through vouchers plus co-payment.

What this focus on Chile has done is to enable the field to examine the notion of the private in privatisation, and the dynamics of what private means within a wider depoliticisation strategy. The data show how school owners display a diversity of distinctive “privates” in regard to product design and delivery, where we have begun to illuminate the dynamics of localised decision-making in a system that is segregated through the socio-economic situation of families and communities. Researching the reforms and events is important, but what we have begun to do with our data is to reveal the way that scoping and examining depoliticised privatism is a vital aspect of critical education policy research. This is challenging to do, but if we are to understand the way that markets are working then we need to bring into the public domain the privatised calculations of those who locate their business and employment interests there. The analysis of GERM strategies worldwide can benefit from conceptualizations and dynamic reforms such as the changes to the link among state, society, and the market in Chile.

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