

The Right to Choose?

— *Yes, Prime Minister!*

Road Map to Reform: Education

Compiled by James Stanfield
School of Education, University of Newcastle

With
Michael Sandström, James Tooley, and Pauline Dixon

Adam Smith Institute
London 2006

Contents

Executive Summary	3
1. Introduction	4
<i>James Stanfield</i>	
2. School choice reforms from Sweden	6
<i>Michael Sandström</i>	
Arguments for and against school choice	
The reaction to school choice	
The key to success	
3. School choice is a human right	12
<i>James Stanfield</i>	
The writing of Article 26	
Interpreting Article 26 and the right to education	
Impact on the school choice debate in the UK	
The 2005 Education White Paper	
4. The National Education Service	21
<i>James Tooley, Pauline Dixon & James Stanfield</i>	
The A+ Plan: tackling failing schools	
The Education Fund: A trial customer choice system	
The Education Tax Credit: A non-refundable tax credit scheme	
A business association for UK education companies	

Bibliographical information

Published in the UK in 2006 by
ASI (Research) Ltd
© Adam Smith Research Trust 2006

The Adam Smith Institute has an open access policy. Copyright remains with the copyright holder, but users may download, save, and distribute this work in any format provided (1) that the Adam Smith Institute is cited; (2) that the web address www.adamsmith.org is published, together with a prominent copy of this notice; (3) the text is used in full without amendment [except for the use of extracts in criticism or review]; (4) the work is not re-sold; (5) the link for any online use is sent to copyright@adamsmith.org.

The views expressed in this publication are those of the authors alone and do not necessarily reflect any views held by the publisher or copyright owner. They have been selected for their intellectual vigour and are presented as a contribution to public debate.

ISBN: 1-902737-52-0

Executive Summary

In an episode of *Yes, Prime Minister*, Jim Hacker promises to transform education by guaranteeing parents their freedom to choose. For Sir Humphrey Appleby however, this idea was preposterous and while applauding his own 'discerning' parents for choosing to send him to Winchester, he believed that the government could not expect 'ordinary' parents to be capable of making similar choices. While the views of Sir Humphrey continue to dominate the education debate in the UK, Sweden has been operating a choice-based school funding system since the early 1990s. Families are allowed complete freedom to choose a school, whereupon public funding goes to the institution of their choice, whether it be a government-run or an independent school.

Though initially opposed by trade unions and others, the Swedish system has proved very popular, and there are now many hundreds of independent schools to which parents can send their children, assisted in this way. The choice system has not led to social segregation or selection by academic ability; but the competition that it has brought into education has pushed up standards in both municipal and independent schools.

An argument successfully used in Sweden to promote school choice, was the claim that freedom to choose in education was a basic human right, being specifically enshrined in the United Nations' 1948 Universal Declaration of Human Rights. An examination of the debates on this document showed that its framers were determined to avoid state monopoly in education, and hoped that confirming the right to choose would erode state monopolies where they existed. Although the Declaration's authors wanted education to be free and compulsory, they did not want governments to dominate its provision, as presently happens in the United Kingdom.

To promote the right to choose within UK schooling, three proposals are recommended. The first is that parents should be entitled to remove their children from schools that are failing, and choose any other school (state or independent) instead. State funding would follow these choices. In addition, small groups of parents would be eligible for small capital grants to help them establish new schools where existing schools were failing.

The second proposal is a Swedish-style universal user choice system. Public finance, representing about 70% of the per-student cost of state education, would be available to all schools on the basis of the number of students they could attract. This could actually produce a net saving to the Treasury, while simultaneously encouraging diversity and raising standards through competition.

The third proposal is for a non-refundable tax credit to provide parents with a pound-for-pound reduction in their income-tax liability (up to an agreed limit) for each child they have in non-state education. Again, it seems likely that the Treasury could actually make savings under this system, while promoting choice.

It is also suggested that the government encourage the formation of a business association for UK education companies, which will enhance quality and accountability, promote equitable policies throughout the sector, and promote dialogue on future developments in the education sector.

1. Introduction

By James Stanfield

So the Prime Minister, Jim Hacker, finally let him have it. 'Humphrey,' he told his Permanent Secretary, 'I'm going to let parents take their children away from schools. They will be able to move them to any school they want.' Sir Humphrey looked puzzled and asked if he meant after application, scrutiny, tribunal hearing and appeal procedures. 'No, Humphrey. They could just move them. Whenever they want.' Again Sir Humphrey genuinely didn't understand, so Hacker's political adviser explained: 'The government, Sir Humphrey, is going to let parents decide which school to send their children to.' The Prime Minister then outlined his proposal to establish a National Education Service where parents are free to choose the school they want, and the school would get paid per pupil. As the penny dropped, Sir Humphrey exploded into protest. 'Prime Minister, you're not serious... You can't let parents make these choices. How on earth would parents know which schools are best?' The Prime Minister then quizzed Sir Humphrey on his former school, Winchester, which he reluctantly admitted was of course chosen by his parents. 'Prime Minister, that's quite different. My parents were discerning people. You can't expect ordinary people to know where to send their children.'

Sir Humphrey then warned the Prime Minister that the Department of Education (DoE) would react with some caution to his rather novel proposal:

They will give it the most serious and urgent consideration, but will insist on a thorough examination of all the proposals, allied to a detailed feasibility study and budget analysis before producing a consultative document for consideration by all interested bodies and seeking comments and recommendations to be incorporated in a brief for a series of working parties who will produce individual studies that will form the background for a more wide ranging document considering whether or not the proposal should be taken forward to the next stage.

Of course this meant that the DoE would block it. But the Prime Minister had already planned his response. He would abolish the DoE!

Humphrey was now desperate. 'Prime Minister, you can't be serious. Who would assess forward planning and staffing variations, variations in pupil population, the density of schooling required in urban and rural areas? ... Who would make sure everything ran properly? ... Who would plan for the future?'

At this, the Prime Minister was overwhelmed by laughter. 'Do you mean that education in Britain today is what the Department of Education planned?' 'Yes of course,' said Humphrey. Then, immediately seeing the obvious, 'No, certainly not'.

The full version of this conversation can be found in a classic episode of Yes, Prime Minister in which the fictional Prime Minister Jim Hacker attempts to transform education in the UK by guaranteeing parents freedom to choose, and if necessary abolishing the Department of Education. The authors (Antony Jay and Jonathon

Lynn), based this comedy series on their own extensive research into the workings of government, and found that there was a wide gap between the rhetoric and the realities of running a country, a gap rich in comic potential. According to Antony Jay, the controversy surrounding the issue of choice in education provided one of the most 'hilarious absurdities', for the system was based upon the restriction of choice to all parents except the rich and those who condemned this inequality sought to remove it not by extending choice to the poor but by denying it to the rich as well! The defence of the system, according to Anthony Jay, rested on the absurd argument that politicians, educationalists and officials know better than parents what education our children need unless they are in the top income bracket. The argument 'absolutely demanded a place in our series'.¹

Of course the authors of *Yes, Prime Minister* were not the first to shed light on this 'hilarious absurdity'. Milton and Rose Friedman in their 1980 book, *Free to Choose*, expressed a similar concern with 'educational reformers who often self-righteously take for granted that parents, especially those who are poor and have little education themselves, have little interest in their children's education and no competence to choose for them.' For the Friedmans however, this was no laughing matter, but a 'gratuitous insult'²

Yet Antony Jay's research helped him to shed light on what he has since described as the 'fatal error' of government intervention in education, which was to subsidise schools instead of parents. Directing tax funds to schools had not only removed all effective choice away from parents, but had also created 'a massive bureaucratic superstructure of inspectors, auditors, committee advisors and administrators, with an accompanying blizzard of regulations, guidelines, consultative documents, reports and instructions'. In contrast, directing tax funds to parents 'restores their choice and creates competition between schools — competition that is far more effective in raising standards than bureaucratic control and regulatory frameworks'.

This report will aim to put some flesh on the bones of Jim Hacker's original proposal to establish a National Education Service, where parents are free to choose. Chapter 2 is by Michael Sandström, who provides a brief overview of the school choice reforms successfully introduced in Sweden. Chapter 3 will then take a closer look at an important but previously neglected feature of the school choice debate in Sweden — the claim that parental choice in education is recognised by the United Nations as basic human right, an argument previously neglected in the UK. The original definition of the right to education, expressed in Article 26 of the 1948 Universal Declaration of Human Rights, will be examined. This will then be used to evaluate the 2005 White Paper on education and the legislation based on it.

Building upon the example of Sweden and other successful school choice reforms from around the world, Chapter 4 outlines four simple policy proposals that will allow Jim Hacker's vision of a National Education Service to be put into practice.

¹ *Government Failure: E G West on Education*, ed. James Tooley & James Stanfield (foreword by Antony Jay) Institute of Economic Affairs (2003), p.11

² Milton and Rose Friedman, *Free to Choose* (1980) p. 160

2. School choice reforms from Sweden

By Michael Sandström

In Sweden, a choice-based school funding system was proposed during the 1980s by the Moderate (Conservative) Party, and was motivated both by ideological reasons — the right to choose — and by what was perceived as diminishing school standards. The Government Bill on Freedom of Choice and Independent Schools³ and the Government Bill on School Choice,⁴ were presented to Parliament by the non-socialist government led by Carl Bildt (1991–94) and were subsequently passed into law. Together they established the right of any non-government school that fulfils certain basic requirements to receive public funding on terms equal to those of public schools.

While the left-of-centre parties initially opposed the measures, the Social Democrats came to support the basic elements of the new funding system, and the school choice reforms were not overturned when they regained power in 1994.⁵ This contrasts with several other pieces of legislation, notably on labour market regulation, which were revoked as quickly as the legislative process allowed. However, the basic elements of the Swedish pupil-centred funding system have remained unaltered. It rests on three main principles:

1. The principle that every student has the right to school choice. It is a choice both between different public schools and independent schools.
2. The principle that any independent school approved by the National Agency of Education (NAE) is entitled to receive funding from the municipality on a per student basis, in an amount equal to the average cost per student in the municipalities' own schools.
3. The principle that the NAE shall approve any independent school, regardless of who owns it and who runs it, provided that certain basic requirements are fulfilled.

The conditions for the NAE to approve an independent school include, a) that the applicant should be able to show that they have the ability to run a school, b) that they are reasonably financially viable, c) that they will adhere to basic democratic principles and d) that they will provide an education that fulfils the requirements set down in the national curriculum. There are also some limitations on the management of independent schools. For example they cannot charge an additional tuition fee, on top of the amount of funding that comes through the municipality, except in some special cases; and they cannot have discriminatory rules of

³ Proposition om valfrihet och fristaende skolor' (Prop. 1991/92:95). This bill established freedom of choice for grades 1–9 of compulsory schools.

⁴ 'Valfrihet i skolan' (Prop. 1992/93:230). This bill established freedom of choice in upper secondary schools.

⁵ It should be pointed out that the Social Democrats have proposed several limitations on the independent schools that have not been supported by parliament. Since the government is a minority government, usually relying on the support of 'the Left Party' and 'the Green Party', it does not command an automatic majority. On school choice issues, however, the Greens usually side with the non-socialist opposition, forming 'a school choice majority'.

admission. It is possible to base admission on ability in music or sports, but not in subjects such as mathematics. Thus, independent schools for the academically gifted are in effect ruled out.

A distinguishing feature of the new Swedish system, and an important factor in its success, is that any kind of organization, including for-profit companies, are allowed to run schools. Since larger companies running several schools are allowed, the expansion of independent schools has been more rapid than it would otherwise have been. Also, while successful non-profit schools have no incentive to expand, for-profit schools do. In Sweden, where both for-profit and non-profit schools exist, it is clear that this difference in incentives matter. While several successful for-profit schools have expanded rapidly and established subsidiary schools, the non-profit schools instead tend to create waiting lists.

Arguments for and against school choice

When the reforms were introduced, the main argument was that students and their parents should have the right to choose. The argument that choice could improve the quality of schools was also advanced. However, the argument was not so much that independent schools would be *better* than the public schools, but rather that a larger *variety* of schools would become available. The idea that competition may improve the quality of education was also present but has been more in focus during recent years. The case against the reform, when it was first discussed, focused upon the following arguments:

- *The depletion argument.* Independent schools would take resources and the best students from the public schools and cause a depletion of quality in these schools.
- *The segregation argument.* School choice would cause segregation between different socio-economic groups and between ethnic Swedes and people with immigrant background.
- *The democracy argument.* Independent schools may not share basic democratic principles, and may thus not give students a proper 'value basis'.
- *The cost argument.* Having to pay money to independent schools would increase costs, since it is not obvious that the public schools will be able to cut costs when some students leave for the independent schools.
- *The anti-profit argument.* It is unreasonable that public money, paid to schools, may enrich the shareholders of education companies.

In the case of the *anti-profit argument*, one may of course point out the incoherence of allowing profits for companies selling school books and other supplies, building or letting school buildings, or indeed from being a teacher, all using public money, while objecting to companies making profits from the actual running of schools. As pointed out above, disallowing profits is likely to increase segregation. Further, allowing for-profit companies, introduces an element of cost control into the system. While non-profit schools have no incentive to cut costs, for-profit organisations obviously do. An interesting example, from a similar user-funding system for home

care for the elderly in the Swedish municipality of Nacka (see box), provides an illustration. While the municipality's own providers of such care could not keep costs below the per-capita amount of public finance, the private, for-profit companies providing the same kind of care could. The conclusion is thus that the municipal providers either have to become more efficient, or should hand over entirely to private firms. This would not have happened if the private providers had not been allowed to make a profit, since the only result of cutting costs would have been to have the public funding allocation reduced. The profit motive is a central efficiency-generating mechanism.

There is a considerable lack of hard evidence to support the claim that independent schools have increased segregation. The composition of the student bodies in the average independent and public schools is not radically different. As to special needs students, there is no evidence that such students choose independent schools to a lesser extent. Rather, there is some evidence to the contrary. A government committee, appointed by the Social Democratic government, to evaluate some aspects of the reforms makes the following statement:

In the debate, the view that independent schools are segregated, and do not have students with special needs, is sometimes heard in the debate. None of the committee's findings indicates that independent schools have fewer students with special needs than municipal schools. To the contrary, many independent schools have many students from this category. Parents who do not consider that their children get the support they require in the municipal school often take their children from the municipal school to an independent school.⁶

The argument that independent schools have had a negative effect on the quality of education in public schools has also been convincingly rejected in three studies. Sandström & Bergström,⁷ Ahlin (2003) and Björklund, Edin, Fredriksson & Krueger (2003a and 2003b) all find that competition from the independent schools increase the quality of education in the public schools.

Finally, the available evidence gives no support to the claim that the user-based funding system has lead to increased costs. Rather Björklund, Edin, Fredriksson & Krueger (2003a and 2003b) find that costs have neither increased nor decreased due to competition. Waldo (2003) actually finds that efficiency, measured as student results in relation to costs, increase due to competition.

⁶ SOU 1999:98, p. 48, my translation.

⁷ The study is also available as a working paper Sandström & Bergström (2002), at www.iui.se. See also Sandström & Bergström (2003), available at <http://www.friedmanfoundation.org/schoolchoiceworks/swedenstudy0103.pdf>, for a popularised description of the study and of the Swedish choice system.

Customer Choice in Nacka – The Right to Choose a School.⁸

The customer choice system in Nacka Municipality encompasses childcare, education and care for the elderly. Its purpose is to offer the municipality's residents freedom of choice and direct influence over these services. Decisions on how the services are designed are taken by the providers in close dialogue with the citizens who use the services. The focus is on the user – the customer. The customer choice system means that residents of Nacka Municipality are able to choose from a number of providers of the above services financed by the municipality.

For example, in order to increase citizens' freedom to choose and influence, Nacka Municipality has introduced a customer choice system for pre-school classes, nine-year compulsory schools, after-school centres and upper secondary schools.

Together with their children, parents play an active part in choosing a school and so have the opportunity to choose a school with the direction and educational profile that suits them. The customer choice system is based on a system of cheques, which are available for the use of the pupil regardless of whether a municipal or an independent school is chosen.

The cheque system means that the municipal and private providers operate on equal terms. All providers compete for customers, stimulating innovation and quality improvements. Customers can choose and change provider if they are not satisfied with the quality of the services. Nacka views positively the increase in the number of providers that have sprung up on the back of this system, since the greater the range of services on offer, the more that customers can select a provider that they are happy with.

Since 1992, the choice of nine-year compulsory school and upper secondary school has made use of a cheque system, giving pupils and their parents significant freedom of choice, as well as influencing the way in which resources are distributed between different schools. Parents also have more opportunity to influence the way schools work, because user choice encourages providers to be sensitive to their views. The system also encourages parents to take a more active interest in their children's schooling.

The customer choice system also transfers a major part of decision-making to the principal and the school. The school decides its own direction, such as its relative focus on sports, music, or languages, and takes its own decisions on the physical environment, class sizes, collaboration with other organisations, teaching resource, and administrative support.

The cheque system enables families to benefit, no matter where the school they choose happens to be. If a pupil who is resident in Nacka applies to a school outside the municipality, the municipality's education funding can be used for that outside school. It is even possible to use it for overseas studies.

⁸ *Extracted from Customer Choice in Nacka – The Right to Choose School.*

http://infobanken.nacka.se/www/om_nacka/politik/kundvalssystem/kundval_2002_pdf/engelska/skolcheck_eng.pdf

The reaction to school choice

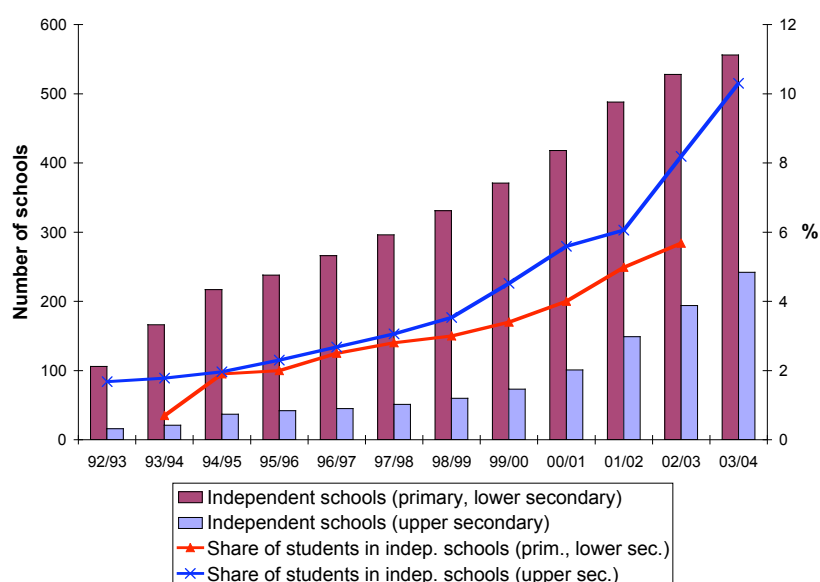
While at the time of reform there were only 70 independent schools educating less than one percent of the students, today there are almost 800 independent schools, educating almost one tenth of all students. The growth of independent schools since the reforms were introduced is illustrated in Diagram 1.

According to a survey by the NAE, school choice commands solid support among parents. Over 90 percent think that parents and children should continue to have the right to choose school. In the same survey, 60 percent agreed with the statement that some competition between schools is a good thing (only 25 percent disagreed) and 40 percent thought that it would be beneficial with more independent schools, while only 25 percent disagreed.

The teachers' trade unions have in general not been hostile to school choice. For example on the website of the Swedish Teacher's Union (Lärarförbundet), it states that 'the municipal schools have a lot to learn from the independent schools and vice versa. Regardless of who runs a school, the quality of education must be of high quality. As a consequence, the same rules should apply to independent and public schools. The distribution of resources should guarantee equal economic conditions for the municipal and the independent schools.' It continues: 'the opinion of the Swedish Teachers' Union is that the debate for and against independent schools does not contribute to the development of the Swedish school system. The independent schools are here to stay, and are a valuable complement to the municipal schools.'

The website of the other main teachers union, the National Union of Teachers (Lärarnas Riksförbund, LR) also states that 'all schools should have equal condition, regardless whether it is public or independent.'

Diagram 1 — The growth of independent schools



The key to success

An important lesson to be learnt from the successful implementation of the per-student funding system was the fact that in 1991 the incoming government introduced the new legislation rapidly, with a minimum of committee work and hearings. Also, instead of attempting to introduce 'optimal' legislation, a few simple steps were taken that ensured a larger role for independent schools. Probably, few people realised quite how radical the reform was when it was undertaken, since the immediate effects were not that visible. In fact, not one single independent school was established as a direct consequence of reform. Instead, by establishing the right of independent schools to receive public funding, it created new opportunities for independent schools, without creating an immediate 'threat' to teachers and other interest groups.

Another important feature of the reform was that it was not change by command and control but change through the empowerment of parents and students. An independent school is established only if there is demand for one from the grass-roots level. Thus, even though the reform applied to the entire country at the outset, the impact of the reform has varied a great deal from place to place. The reforms also leave considerable room for local adaptation.

The neutrality of the reform with regard to the form of organization has also been important. As pointed out above, the fact that for-profit schools are allowed has contributed to the rapid expansion of school choice. In the Swedish setting, the strict limit on fees has also been important. Since both independent and public schools are free to the students, the allegation that independent schools are only for the rich simply does not stick. In an egalitarian society such as Sweden, this has been important for the public acceptance of school choice.

3. School choice is a human right

By James Stanfield

In 1980, the NBC News Report *'If Japan Can...Why Can't We?'* startled the American and European manufacturing sectors when it revealed how Japanese manufacturing companies were transforming their operations and beginning to capture global car and electronics markets. The example of Sweden now has the potential to do for education in the UK what Japan did back then for manufacturing. That is, the leadership shown by politicians (and trade unions) in Sweden in redirecting public funds from schools to parents can now help to inspire those in the UK who support similar reforms, and should provide a much needed wake-up call to the 'forces of conservatism' who continue to resist change, modernisation and progress.

The Swedish experience described above shows that choice in education does actually *work*. But it has strong philosophical roots, too. An argument that was important to the acceptance of the reforms in Sweden and other EU countries is that parental choice in education is recognised by the United Nations as a fundamental human right. That argument has been neglected in Britain, but it bears re-statement, and it is worth looking at the UN's own debates on the issue.

The 1948 Universal Declaration of Human Rights has become a secular bible for thousands of human rights workers, and according to some commentators, it represents one of the greatest steps forward in the process of global civilisation. Article 26 of the 1948 Declaration (see box) outlines the first definition of the right to education, agreed and sanctioned by the United Nations and the wider international community.

Article 26 of the Universal Declaration of Human Rights (1948)

(1) Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit;

(2) Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace;

(3) Parents have a prior right to choose the kind of education that shall be given to their children.

While many will be familiar with the contents of the first two paragraphs, the inclusion of Paragraph 3, highlighting the right of parents to choose, poses some interesting questions. For example, why was choice in education deemed so important in 1948, resulting in the inclusion of the Paragraph? What is the relationship between each of the three paragraphs, and are they listed in order of importance, or do they each form part of a greater whole? Finally, what does Article 26 have to say about who controls and governs in education: is it parents and the family, or the state?

The writing of Article 26

A UN Drafting Committee met for the first time in June 1947 to help coordinate the preparation of an 'international bill of rights' and elected Mrs Eleanor Roosevelt (US) as Chairman, Mr P.C. Chang (China) as Vice Chairman, and Mr Charles Malik (Lebanon) as Rapporteur. Over the proceeding eleven months a draft declaration was discussed and amended on numerous occasions, and when the Drafting Committee met in May 1948, Article 26 included only the first two of the final three paragraphs shown in the box above.

Mr Malik (Lebanon) was the first to highlight a concern at the first two paragraphs' failure to mention the right of parents to choose. According to Malik, it was important to 'exclude the possibility of situations in which dictators had the power to prevent parents from educating their children as they wished'. Control of education therefore should 'not be left entirely to the discretion of the state' and 'parents should be allowed the freedom to determine the spirit in which they wished their children to be brought up' (E/CN.4/SR.67).⁹

Similar concerns were also aired by Miss Schaefer, (International Union of Catholic Women's League),¹⁰ who suggested that 'if that right were not stated in the Declaration, there might very well be a recurrence of situations such as that which prevailed in Germany under Hitler' (E/CN.4/SR.67). According to Miss Schaefer, *free and compulsory* education might be interpreted to mean that if the state provided free education, it could also determine the system of education.

Mr Wilson (UK) sympathised with the representatives of India and Australia who had also argued that it was 'dangerous to include the word compulsory in the Draft Declaration because it could be interpreted as acceptance of the concept of state education'. While recognising that the UK had enjoyed free and compulsory education for several generations, Mr Wilson was still concerned that it was 'difficult to reconcile the statement of a right to education with the notion of the compulsory nature of that education'. Mr Chang (China) offered his support for Mr Wilson's position and agreed that the word *compulsory* should be deleted from the draft text. Mrs Mahta (India) agreed, stating that 'the contradictory concepts of a right and a compulsion could not be reconciled in the draft Declaration' (E/CN.4/SR.68).

⁹ All references unless otherwise stated, refer to documents of the United Nations Economic and Social Council, Commission on Human Rights, 1947–48.

¹⁰ Various NGO's attended the meetings but were not allowed to vote.

To help dispel any confusion surrounding the inclusion of the word *compulsory*, Mr Lebar (UNESCO) attempted to assure delegates that 'it did not mean that the state exercised a monopoly over education, nor did it infringe the rights of parents to choose the schooling facilities they wished to offer their children'. The records continue with the following statement:

The Chairman put to the vote the deletion of the word *compulsory* . . . The deletion of the word *compulsory* was rejected by eight votes to seven (E/CN.4/SR.68).

Responding to the failure to delete the word *compulsory*, Mr Malik (Lebanon) explained that his delegation had voted against its inclusion 'lest it be interpreted as making it imperative for children to be sent to schools designated by the state'. The Lebanese amendment was therefore 'necessary to guarantee the right of the family to determine the education of its children'. Mr Malik then proposed two versions of his previous amendment:

- 1) Parents have the primary right to determine the education of their children.
- 2) This does not exclude the right of parents to determine the education of their children.

Mrs Schaefer appealed to the Commission to adopt the first version, because 'while the state should guarantee education to children, the primary responsibility for that education and the right to determine it rested with the parents' (E/CN.4/SR.68). Mrs Roosevelt (US), acting as Chairman of the Commission, then said that her understanding that the general view of the Commission was that 'acceptance of the word *compulsory* in no way put in doubt the right of a family to choose the school which its children should attend' (E/CN.4/SR.68). Mr Klekovkin (USSR) agreed, but argued that the Lebanese amendment was unnecessary as the word *compulsory* 'did not exclude the right of the family to choose the school to which its children would go' (E/CN.4/SR.68).

Mr Malik replied that as the text did not deprive parents of the right to choose the school to be attended by their children, there should be 'no objection of substance to the Lebanese amendment, which was intended to safeguard the right by stating it explicitly' (E/CN.4/SR.68). But the Lebanese amendment was nevertheless rejected by ten votes to three, with one abstention.

The final draft was then submitted to the United Nations General Assembly, which met in Paris in November 1948. Each article in the draft declaration was again considered in detail, and the following two amendments were considered at the Third Committee's 146th meeting, with Mrs Begtrup (Denmark) acting as Chairman:

Lebanon: Parents have a prior right to choose the kind of education that shall be given to their children (Annexes, A/C.3/260).

Netherlands: The primary responsibility for the education of the child rests with the family. Parents have the right to determine the kind of education their children should have (Annexes, A/C.3/263).

Mr Beaufort (Netherlands) argued that the family should be given primary responsibility for education because 'it was in the family that the child first learned the methods of living within the community'. He continued:

Parents would be unable to bear that primary responsibility unless they were able to choose the kind of education their children should have. Nazi Germany, where the Hitler Youth deprived parents of control over their children, had provoked an experience that should never be allowed to incur again (Records p. 582).¹¹

Reinforcing the Lebanese delegation's position outlined at previous meetings, Mr Azkoul objected to the word *compulsory* because 'it appeared to give the state unrestricted authority over education'. The purpose of the Lebanese amendment was to 'restore the balance by giving parents a prior right to choose the kind of education which they wished their children to receive'. While the state should compel negligent parents to see that their children obtained education, 'parents should have the right to limit the state's authority if it became excessive or arbitrary' (Records p. 584). Mrs Ikramullah (Pakistan), also believed that 'it was essential to guarantee freedom to choose education, a principle flagrantly violated by the Nazis', and rejected the argument that parents might refuse to give their children education because 'the article gave them only the right to choose the kind of education they wished, but not the right to withhold education from their children' (Records p.585).

Professor Cassin (France) emphasised the argument that elementary education should be compulsory and 'for its compulsory nature to be explicitly stated, so that parents would not be able to neglect their duty to their children'. The French delegation would vote for the amendments 'were it not that it feared...to impose a one-sided viewpoint upon nations which thought differently'. Again, he observed that there was nothing in Paragraph 1 to threaten the freedom and rights of parents: 'moreover, the United Nations was at present engaged in a study of educational matters as a whole, and of the rights of parents and of the state of such matters. There was therefore no necessity to mention that aspect of the problem' (Records p. 586).

In response to these arguments, Mr Azkoul reinforced his concerns about the state being authorised to force parents to send their children to school: 'Were the parents not entitled...to select the school to which they would send their children, and the type of education they intended to give them? The Lebanese amendment was intended simply to assert that right' (Records 598).

Mr Malik (Lebanon), now acting as Chairman, then asked the Committee to vote on the final text. Following the acceptance of the first two paragraphs, the Lebanese amendment, adding a third, was adopted by 17 votes to 13, with 7 abstentions:

In favour: Argentina, Australia, Belgium, Brazil, Chile, Colombia, Cuba, Denmark, India, Lebanon, Luxembourg, Netherlands, Pakistan, New Zealand, Paraguay, Philippines, Sweden.

¹¹ Official Records of the Third Session of the General Assembly, Part I, Social, Humanitarian and Cultural Questions, Third Committee, Summary Records of Meetings, 21 September — 8 December, 1948, United Nations, Lake Success, New York, 1949. Hereafter referred to as Records.

Against: Afghanistan, Byelorussian Soviet Socialist Republic, Ecuador, France, Mexico, Poland, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom, United States of America, Uruguay, Venezuela, Yugoslavia.

Abstaining: Canada, China, Czechoslovakia, Dominican Republic, Honduras, Peru, Turkey (Records p. 605).

Interpreting Article 26 and the right to education

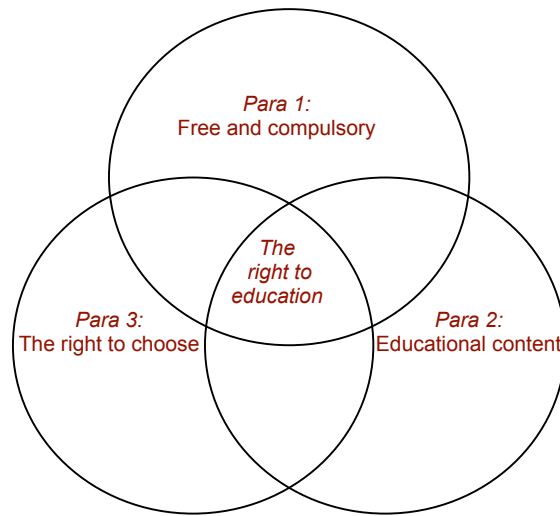
For many on the drafting committee, then, *free* and *compulsory* education was not sufficient to guarantee the right to education in the post-war world. The abuse of education in Nazi Germany was too fresh in their minds. *Free* and *compulsory* education did not mean that education should be controlled by the state, nor, as Mr Lebar (UNESCO) noted, a state monopoly over education, nor any infringement of parents' right to choose their children's schools. The purpose of Paragraph 3 was to safeguard this right by stating it explicitly.

Paragraph 3 was therefore included in Article 26 for two very important reasons. First, it placed a new and important restriction on government intervention in education by preventing the development of a government monopoly; and second, it helped to confirm that while the state can guarantee universal access to education, the primary responsibility for that education and the right to determine its nature rests with parents.

Understanding why Paragraph 3 was included in Article 26 also helps to shed light on the relationship between each of the three paragraphs, and in particular the relationship between Paragraph 1 (free and compulsory education) and Paragraph 3 (the right of parents to choose). The order of the paragraphs thus merely reflects the order in which they were drafted, and does not suggest a particular hierarchy of importance. Nor was it intended that any of the three paragraphs should be addressed in isolation from the others, or that any single paragraph should be given priority. Instead, while each paragraph addresses a different component of the right to education, all three components are critical and dependent on each other. If any one element is neglected, then the right to education cannot be guaranteed. Diagram 2 shows the effect:

Returning to the thoughts of Antony Jay in the Introduction, the 'fatal error' of government intervention in education is represented in Diagram 2 by the crescent-shaped area where free and compulsory education is introduced without considering the right of parents to choose. Public funds are therefore directed to government schools only, crowding out private alternatives and resulting in a government monopoly. The right to education is therefore denied.

Diagram 2: Article 26 and the right to education



Jim Hacker's proposal to establish *A National Education Service* in which all parents are free to choose, is represented by the area where free and compulsory education and the right of parents to choose coexist. Public funds are channelled direct to parents instead of schools. Parents therefore remain free to choose while continuing to enjoy the benefits of free and compulsory education.

Impact on the school choice debate in the UK

Article 26 of the Universal Declaration of Human Rights therefore suggests that the school choice reforms introduced in Sweden (and those proposed by Jim Hacker) are not only consistent with the right to education, but are in fact essential to it. The redirection of public funds from schools to parents has enabled the Swedish government to guarantee free and compulsory education while at the same time safeguarding the right and freedom of parents to choose. The right to education is therefore guaranteed.

The above analysis also suggests that the current method of funding education in the UK, where public funds are distributed to government schools rather than to individual parents, is in direct conflict with Article 26. While this particular method of funding guarantees free and compulsory education, it fails to safeguard the right of parents to choose. In the UK, the right to education is therefore being denied.

The 2005 Education White Paper

In October 2005, the government published a White Paper on education *Higher Standards, Better Schools for All*, which builds upon the *DfES Five Year Strategy for Children and Learners* (July 2004) and *New Labour's Election Manifesto* (May 2005), both of which promised to develop a new school system increasingly driven by parents

and choice¹². Legislation based on this White Paper will soon come into force. But the White Paper provides a good explanation of the thinking behind the legislation, so it is worth looking through its arguments here.

In the introduction to the White Paper, the Prime Minister describes the proposed reforms as the next vital stage in one of the most 'radical and successful school reform programmes in the developed world' (p.4), and suggests that our education system could become world class 'if we have the courage and vision to reform and invest further and put the parent and pupil at the centre of the system... We must put parents in the driving seat for change' (p.1). He acknowledges that 'many other countries have successful experience with school choice' and that there is 'increasing international evidence that school choice systems can maintain high levels of equity and improve standards' (p.4). And there is a reference to the reforms introduced in Sweden where parents 'can choose an alternative school to their local one, including a diverse range of state funded independent schools' (p.4).

The White Paper accepts that 'the most powerful influence on a child's learning and progress is the support and commitment they receive from their parents' (para 5.1), but that 'there are not yet enough good schools in urban areas' and that this problem is greatest for low-income families, 'who cannot afford to opt for private education or to live next to a good school, if they are dissatisfied with what the state offers' (p.4). The White Paper also admits that 'where parents have real concerns about their school's progress, their voices can still be ignored or overlooked' (para 5.4), and that 'parents can feel frustrated and powerless where they have serious and well-founded concerns about their child's school... but the school management is unwilling to hear their concerns or to take action' (para 5.15). It mentions research findings that 72% of parents say they want to be more involved in their child's education but only 48% feel that the school makes it easy to get involved (para 5.17).

So to ensure that parents are put in the driving seat for change in education and to guarantee that 'every school is a good school', the key reform proposed is that schools should become self-governing Trusts so that they can enjoy increasing freedom and flexibility from local authority control. The hope is that this will allow each school to develop a distinctive ethos and provide each child with a personalised education. This personalization is the key to tackling 'the persistent achievement gaps between different social and ethnic groups', and it is hoped that it will 'create opportunity for every child, regardless of their background' (para 4.2).

The White Paper also introduces a number of initiatives to help parents choose between the new generation of Trust Schools. This includes an increase in free school transport to children from low-income families and the free use of a choice adviser¹³ for those parents who require help during the selection process. To ensure that parents' choice of secondary school is not restricted to their immediate neighbourhood, the White Paper also recommends that schools should be able to offer some of their places to pupils living beyond their traditional catchment area (para 3.20).

¹² The Education and Skills Select Committee's response to the White Paper highlights how much of what is being proposed in the White Paper was first published in the DfES Five Year Strategy (July, 2004). For example Chapter 4 'Independent Specialist Schools' refers to the goal of 'More choice for parents and pupils', which is the subtitle of the current White Paper.

¹³ The DfES is planning to spend £12 million on the recruitment and training of a new army of 'Special Choice Advisors'

While recognising the role previously played by parent governors 'in bringing a parental voice to bear on the leadership of the school' the White Paper proposes to go a step further by placing a 'new statutory duty on the governing bodies of all schools to have regard to the views of parents' (para 5.19). The fact that a regulation is required to force all governing bodies to 'have regard' to the views of parents suggests that there is something fundamentally wrong with the current relationship between parents and schools. And there is still no guarantee that any action will follow. 'Parent Councils' will also be set up, providing a 'forum for parents to express their views and influence the running of the school', and to provide an 'effective way for schools to consult parents on specific issues' (para 5.20).

To help prevent schools from completely ignoring the views of parents and to guarantee 'prompt action' where parents have legitimate concerns, the schools regulator Ofsted is to be given a new statutory power to 'investigate and, where justified, require a school to call a meeting with parents to discuss their complaints' (para 5.16). The White Paper continues:

We would expect parents to have exhausted local complaints procedures, including with the local authority, before contacting Ofsted. Ofsted will then determine what action should be taken to respond to the complaint. This could include calling an immediate inspection (para 5.16).

Perhaps the most surprising proposal to increase choice involves increasing the government monopoly in education! According to the White Paper, there are a number of independent schools in the UK that would 'prefer to be accessible to all parents, not just those who can afford to pay'. The White Paper therefore promises to make it easier for these schools to 'enter the maintained sector', which will 'extend parental choice and increase the number of places available at good state schools' (para 2.37). In return for government funding, these new state schools must abolish all school fees and meet the essential requirements of the state system, including 'the teaching of a full curriculum, the assessment and accountability regimes, and a fair admissions policy' (para 2.37).

But if some independent schools wanted to increase their enrolment of children from low-income families, then why does the DfES not simply agree to subsidise a specific number of free school places at each of the schools in question? The encouragement of independent schools to 'enter the maintained sector', appears to contradict the proposed attempts to attract 'a diversity of school providers... bringing in educational charities, faith groups, parents and community groups and other not-for-profit providers to run schools' (para 1.30).

The White Paper attempts to shift the focus away from in-school reforms, towards reforms concerning the structure of education. This contrasts with New Labour's policy on education during its first term in office (1997–2001), which promised to focus on 'standards not structures', signalling an end to the structural reforms championed by previous Conservative administrations. This shift in emphasis back on to structural reforms is a welcome development; for at least it acknowledges that there is something wrong with the current structure of education.

However, the White Paper fails to make the all-important connection between the lack of choice and the way the government itself funds education. It states that the 'key to choice is the provision of more good places and more good schools' (para 2.49) and so promises to 'continue to put more money into our schools, and complete the reforms so that in time we have a system of independent self governing state schools' (p.7).

So despite the rhetoric about the importance of increasing choice and the role of parents in education, there remains a complete failure to acknowledge the key source of the problem. The reason why every school is not a good school is not inadequate investment or too much local authority control; the reason why parents are not currently in the driving seat is not the lack of 'Parents Councils', or their failure to take an active interest in their children's education. Rather, these problems are a direct result of the way in which the government itself funds education, by directing public funds to government schools instead of to parents.

While the increasing interest in choice in education by the present government should be welcomed, it is important to recognise that any attempts to increase choice within the existing state monopoly will not in any way guarantee parents their right to choose, as expressed in Paragraph 3 of Article 26 of the Universal Declaration of Human Rights. As mentioned earlier, that paragraph was included in Article 26 to prevent a government monopoly from developing in the first place, or to abolish government monopolies where they had been allowed to develop. Likewise today, the re-introduction of parental choice in education cannot be expected to complement or improve the existing government monopoly. Rather, it should be expected to erode and replace it. This is its *raison d'être* — choice and monopoly cannot co-exist. The White Paper therefore completely fails to guarantee parents their right to choose and so the right to education, enshrined in Article 26 of the Universal Declaration of Human Rights, continues to be denied in the UK.

The above analysis suggests that parental choice in education can legitimately be defined as a basic human right, which will inevitably be denied if governments monopolise the delivery of education. While many may question the concept of 'the right to education' and the relevance of the 1948 Declaration itself, the fact remains that many of those who support the government monopoly in education often justify their position by defining free and compulsory education a basic human right (as identified in Paragraph 1 of Article 26). Since this is a misinterpretation of Article 26, advocates of school choice should now be more prepared to challenge such arguments by adopting a human rights perspective themselves.

4. A National Education Service

By James Tooley, Pauline Dixon & James Stanfield

As the example of Sweden suggests, education reforms that extend the right to choose already exist around the world, and if it is a world-class National Education Service that we want, then it is to the world that we must turn for possible solutions.

The following recommendations reject the patronising and often insulting views of both Sir Humphrey (see Introduction) and Steve Sinnott, General Secretary of the NUT, who has recently criticised the ‘misguided self-interest of the articulate parent’¹⁴. Instead they are based on a simple understanding that parents have one great superiority over politicians and education experts, identified by Sir Robert Lowe (a 19th-century disciple of Adam Smith) in 1868: ‘They have and feel the greatest interest in doing that which is for the real benefit of their children.’ If we give them good enough information to be able to choose, why should they not do so?

The A+ Plan: tackling failing schools

The first proposal, which we have already outlined in a previous Adam Smith Institute paper,¹⁵ addresses those young people who are currently trapped in failing state schools, giving them a route out, to new and existing private schools that can offer them hope of improvement — while giving some incentives to the failing state schools they have left behind to improve. It also brings fresh stimulus to the education market, encouraging new suppliers to enter, and offering imaginative ways of serving the educational needs of the disadvantaged. It is aimed at pilot local education authorities (LEAs), but there is no reason why it cannot be offered more widely, once it has been shown to work.

The scheme is based on the proven Florida A+ Plan, combining this with elements of the European and Hong Kong subsidized school models, and making it flexible enough to ensure the growth of alternative providers.

The Florida scheme works on two levels at once: it allows parents whose children are stuck in failing schools to remove them, and send them to private schools of their choice; and, equally important, it provides huge incentives to state schools to improve. Ofsted inspections and league tables of performance already allow us to make judgements about which schools in the UK are in fact failing. But rather than just targeting *failing* schools, we suggest that the scheme should be adjusted to allow parents with children in schools that are also *not improving* — schools that are trundling along without significant improvements — also to be allowed to take their children out.

¹⁴ See *Alternative White Paper* — NUT Reaction, December 12 2005

<http://www.teachers.org.uk/story.php?id=3609>.

¹⁵ *Delivering Better Education*, Adam Smith Institute (2003)

<http://www.adamsmith.org/policy/publications/pdf-files/delivering-better-edu.pdf>.

A good way for the scheme to begin would be by piloting it in two or three LEAs. These could be authorities that are forward-looking and want to explore ways of improving what they offer to children and parents. Or they could be LEAs that the government has identified through Ofsted inspections as not doing well, and where one requirement for improvement would be to implement this scheme. Or it could be a combination of both these approaches. Whichever approach is adopted, it would be desirable if there were more than one LEA starting the project, so that there could be competition between the LEAs to find the most appropriate way forward.

As in the Florida approach, there would need to be some mechanism for locating schools that are failing or 'acquiescing in mediocrity'. Ofsted inspections and league tables of performance, as measured by GCSE and SAT results and truancy rates, would be the obvious mechanism to use initially, although some LEAs may also be inclined to introduce other measures of school performance, such as achievement on a range of objective tests.

The Florida plan targets schools that are failing in any two out of four years: this seems too leisurely an approach given the seriousness of the problems facing many schools in England & Wales. We suggest that any school that is deemed to have failed in even one year is made open to the scheme.

The core of the proposal is that the public money presently spent on the education of students in such failing schools would automatically be offered to their parents — not in cash, but as a cheque — to put towards the cost of an education in an independent school of their choice.

The incentive for the state school to improve would still remain — because the education cheques would be available each year, the school could still seek to make improvements over the course of the year, and thereby attract and retain more students in following years.

The amount of this portable, student-based finance would reflect the recurrent expenditure in the particular LEA, together with the per capita amount that the LEA holds back for its own administration — which would increase its value by about 15–20% in some LEAs.

What private schools will be eligible to receive the education cheque? It is here that the flexibility of the plan is crucial — and it is here that we envisage a diversity of new suppliers springing up. First, existing independent schools, registered with the Independent Schools Council (ISC), will of course be eligible. But we also want to encourage the types of schools that are taken for granted in the Netherlands, Denmark and Sweden too, as well as allowing even more flexibility in how schools organise and run themselves.

The DfES will need a new agency to ensure that there is a quick and easy process to register a new school for any group of, say, 20 parents interested in doing so. Such parent groups will get a small capital grant as in the Netherlands for setting up the school (which could allow groups of home-educators to share facilities and pool resources, for instance), as well as the full per-capita funding available to comparable state students. Such schools would automatically be exempt from

national teachers' pay and conditions, and would be subject only to the same minimal regulations as independent schools are currently.

- As in Sweden, the education cheque could be used at any educational provider that is registered, including charities, trusts, co-operatives and for-profit providers. It would not matter if the schools were selective.

The Education Fund: A trial customer choice system

The second school choice reform is more radical. We propose a Swedish-style universal *customer choice system*, to be trialled in one or more LEAs in England & Wales. The elements are as follows:

- The basic model is that of Sweden. That is, pupil finance could be directed to any public or private school that families choose.
- As in Sweden, any school provider will be allowed to participate in the new funding arrangement, including for-profit providers.
- As in Denmark, however, the state subsidy will not be 100%, but set at a lower rate, say 70% of state expenditure.
- As in Germany and Hong Kong, schools that attract cheque-funded students would still be allowed to charge additional fees.
- As in Hong Kong, a special scholarship system will be constructed to allow the poorest to attend the private school of their choice.

Again, the LEAs involved in this trial could be those that are deemed to have failed by Ofsted, or they could be forward-looking LEAs that want to do the best for their children. The key point is: how much would such a proposal cost the Treasury? And would it lead to an increase in costs, hence undermining its political viability?

The main issue to be decided here is whether the education cheque should go to parents who currently send their children to private schools. If it does, then it will necessarily lead to increased costs for the Treasury, which will make this unattractive to the Treasury, and possibly a political liability. If it does not, then this will seem unfair. The obvious way around this problem (although it doesn't mitigate it entirely of course) is to offer it to those who are not in the highest tax bracket.

In fact, using certain assumptions, we can see that the Treasury could actually succeed in making a net *saving*. If the education cheque available to parents is set on average at 70% of current state school expenditure, that is, around £2,600, then with certain assumptions we can predict that this cheque could lead to almost a 50% increase in private school enrolment in the LEAs in question. But because of the savings to the Treasury from these children who are no longer being educated in the state system, there is in fact a significant net saving to the Treasury.

In the LEAs that are using this system, educational entrepreneurs would be stimulated to open new schools — as we have seen happening in Sweden. Some suppliers would establish chains of schools, aiming to use economies of scale to

bring the cost of schooling down, making high quality private education accessible to a wider range of families. And, again as in the Swedish model, we could see competition raising standards across the board, in state schools as well as in the private sector.

Once again, as for our targeted customer choice proposal above, a new agency established with DfES funding would offer small capital start-up grants to groups of parents wanting to set up new schools.

The Education Tax Credit: A non-refundable tax credit scheme

Finally, the third proposal addresses the wider audience of parents and children throughout the country. Building on the success of the American and Canadian models, and noting the ubiquity of tax allowances for education in European countries, the proposal is for a non-refundable education tax credit that would provide parents with a pound-for-pound reduction in their income tax liability up to the sum allowed for each child they have in private education.

What are the advantages of the tax credit? The whole point is that they will encourage a greater number of parents to be able to opt for private education, thus stimulating an increase in the number of suppliers, with an expected growth in competition amongst private sector suppliers and hence lower costs and increase in innovation.

Crucially, we also wish to allow such a tax credit to be used against the costs of supplementary schooling — so that companies such as Explore Learning could also expect a growth in demand, and hence be encouraged to innovate and cater for the needs of even more children.

How much would such a proposal cost the Treasury? The reliability of any estimate will depend on how we can judge the numbers of taxpayers who will use the credit. Clearly, every pound spent on the tax credit will result in direct revenue loss to the Treasury. However, because the tax credit will encourage some parents to transfer their children to private schools, this save the costs of funding particular children within state schools, so there will be savings to be offset.

With reasonable assumptions we can see that even a £500 tuition tax credit for private schools will have a quite dramatic impact, both on the growth of private schools and on *savings* to the Treasury. Allowing parents to deduct £500 from their tax liability for that amount paid in school fees could bring about an increase of about 55,000 new students in private school — or about 10% of the existing number — perhaps enough to create one hundred or so new schools. And the net savings to the Treasury could be over £115 million. With a tuition tax credit of £1,000, the increase demand could be as high as nearly 110,000 new students in private education, an increase of about 20% from those currently, and projected savings to the Treasury could be as high as £177 million.

A business association for UK education companies

When Milton Friedman was asked recently if education would be provided exclusively by the for-profit sector in his future vision of schooling, he replied 'No, I see competition. Let parents choose'. In an open market he would expect a variety of schools including for-profit, charter, parochial and government schools, where survival will depend on satisfying customers. He concluded, 'Neither you nor I is imaginative enough to dream of what real competition, a real free market, could produce, what kind of innovations would emerge'.¹⁶

When a future UK government decides to meet its international obligations and guarantee all parents their right to choose in education, the government will also be responsible for ensuring that parents have a variety of educational opportunities to choose from. The government must therefore develop and maintain an attractive regulatory framework that will encourage a competitive market in education to develop, enabling such unknown innovations (as mentioned above) to emerge.

But what will this regulatory framework look like? How can the government promote competition in education and encourage world-class education companies to invest in the UK? The answers to such questions will not be found in the Department for Education and Skills (DfES) but will emerge from the market itself and from the day-to-day experience of those education companies already operating within the existing regulatory framework. Their role within the policy-making process is therefore crucial and the successful transition from a government monopoly to a free market in education may well depend on the ability of existing education companies to work proactively together to help improve the sector's competitiveness. It is for this reason that we recommend that a business association for education companies operating in the UK is established without delay.

In terms of how a new association should operate, there is much to learn from existing associations, both in the UK and abroad. The DTI's *Model Trade Association* suggests that a successful association should work proactively to improve the sector's competitiveness, supply sound information and advice for members, and also promote good public relations, training and education, standards and product/service quality, innovation and technology transfer. The new association can also draw inspiration from a similar organisation established in the US in 2002 — *The Education Industry Association (EIA)*, whose mission is to 'expand educational opportunities and improve educational achievement for learners of all ages by infusing American education with market-based drivers of service, innovation, and results'. The strategic goals of the EIA are to foster the development of a vibrant education industry by a) enhancing accountability and quality throughout the industry by promoting industry standards, professional development and networking opportunities, b) promoting public policies that ensure equitable and fair access to the education marketplace, and c) educating the public about the contributions of the education industry for improved service, results, and innovation.¹⁷

¹⁶ Milton Friedman, Choice & Freedom, *Education Next*, Winter 2003.

¹⁷ EIA website — <http://www.educationindustry.org/tier.asp?bid=36>

The primary purpose of the new association will be to bring education companies together to participate in the promotion of private-sector interests within the policy-making process. Market-based reforms will have to be sold in the political marketplace, and their success may well depend on how they are presented and communicated to the appropriate audience. The publication of an annual *Deregulation in Education Report* will allow the association to survey its members on a regular basis to find out how existing laws and regulations are affecting their ability to compete and increase investment. Together with representing education companies within the policy making process, a future association will also have to work hard at redressing decades of discrimination against private education within the media and especially within the trade union movement.

Once an association is established, opportunities may also arise for education companies to collaborate on a variety of issues including joint research projects, private teacher training courses, and private alternatives to the existing qualifications framework. The new association could also assist in developing an *Education Investment Club*, providing regular opportunities for education companies and educational entrepreneurs to discuss development opportunities with potential investors.

To conclude, the importance of an effective association should not be underestimated as the successful transformation of education in the UK from a monopoly to an open and competitive market may well, in the short term, depend upon it.