



ISSN 2278 – 0211 (Online)

## Privatization of Education in Ghana: An International Comparison with the Dutch Educational System

**Kwaku Adoma**

Head of Accountancy Department, Sunyani Polytechnic, Ghana

**Stephen Yeboah**

Senior Assistant Registrar, Sunyani Polytechnic, Ghana

### **Abstract:**

*The paper in the main looks at the nature and impact of educational privatization at the basic education level in Ghana. The purpose of this piece is not to justify private education in Ghana, but rather to look into how it is existing and developing in different contexts, and to look at its impact in terms of growth- level of enrollment, number of teachers and pupil/ teacher ratio. The study involves a review of relevant literature pertinent to the meaning and ideological foundation of privatization. A theoretical framework of the concept is provided to view private education as an alternative to the provision of public education. The relationship between macro and meso elements is delineated to understand how the concept fits into the national policy framework. A comparative analysis is undertaken to come out with the contextual features of the concept in Ghana and the Netherlands. The choice of the Dutch education system is explained by the assertion of Dalin (1998), that the Netherlands “currently has one of the world’s most liberalised educational systems”.*

**Key words:** Privatization, Capitalism, Demand and Supply, Market Model, Perfect Completion, Market Failure

### **1. Introduction**

Privatization of education has occupied a large place in the educational debate in recent times with the introduction of market principles. “It is worldwide in scope, with the ‘privatisers’ achieving greater influence in all geographical areas”, Lieberman (1989, p.11). In Ghana, as in other countries, this trend has emerged largely as a result of the incapacity of the state to meet the increasing demand of educational services at all levels. According to Atchoarena and Esquieu (2002), in Sub-Saharan Africa, the origins of the training market can first be found in the crisis of public education system. They maintain that, this has reflected in a reactive attitude of families and students faced with the failure of public schools, in a context of labour market contraction. Thus, the widespread dissatisfaction with state provision and the believe that the private sector can deliver those services efficiently has added much impetus to the privatization agenda. The whole system of public education has come under an intense pressure, including the administrative machinery which has typically been accused of being inefficient, top heavy and too occupied with rules and regulations rather than focus on providing quality education that will raise the needed manpower to ensure the socioeconomic development of the country.

The ongoing dissatisfaction over the fallen standards of education blamed on public education has renewed the call for the status quo to be changed. Ghana is now moving away from a system dominated by public sector delivery, towards a mixed structure of provision, combining public and private institutions. According to National Educational Report (2000), reform programme has given a new impetus and encouragement to private individuals to establish schools at all levels of education in the country. The development of private providers and the emergence of competition between private and public institutions are probably among the most significant signs of transformation in the educational system in Ghana. The state is now less concerned about the providers of education, but more attention is been paid to quality, relevance and price. Thus, the focus now is on output considerations rather than input. The strong demand for private education has therefore resulted in tremendous growth in the number of private schools and private universities. Indeed, privatization of education has increased the share of private financing at the basic education level. One significant dimension of this process of change concerns the role of private provision in improving and expanding the overall quantum of human resource development in the economy.

## 2. Study Focus and Methodology

The main thrust of this study is to look at the nature of educational privatization at the basic level in Ghana. It will therefore assess the impact of the concept at the basic level in terms of how it exists, level of enrolment, number of teachers and pupil/ teacher ratio. Issues of Secondary and tertiary education are not discussed in the study. It is hoped that, the research will be carried to the second cycle and tertiary levels to have a clear understanding of the concept at all levels of education in Ghana.

This is a comparative study meant to reveal contextual features of privatization of education between Ghana and the Netherlands. Secondary information sources were consulted from the two countries- Government and Regulatory Sources, Journals and Online Databases. The study looks at how the concept fits into the legal framework of the two countries, management of private schools, types of private schools, conditions for setting up schools, funding and statistical data. The research design was both qualitative and quantitative.

## 3. Conceptual Framework

### 3.1. Privatization- Defined

In general, the term privatization is sometimes used narrowly to mean the change of an industry or business from public to private control or ownership. But it can also be used to describe a range of activities on the path of privatization. According to Wikipedia Encyclopaedia, privatization, sometimes used as denationalization is the process of transferring property or management of a service or activity from the government to the private sector. Advocates of privatization espouse the economic virtues of free enterprise over state control. In Africa, and for that matter Ghana, the concept has not come easily. The terms “divestiture” or “withdrawal” were preferred because they more easily accommodated government withdrawals through the liquidation of uneconomic enterprises and were considered to sound politically less radical than privatization, White and Anita (1998).

### 3.2 Privatization in Education

According to Levin and Belfield (2002), educational privatization is an umbrella term referring to many different educational programmes and policies which involve the transfer of activities, assets and responsibilities from public institutions and organisations to private individuals and agencies. For many, it means a new and increasing responsibility of parents in terms of financing and decision making process of educational institutions. Still, others believe it is a new direction in educational delivery that will increase and ensure efficient allocation of resources and bring flexibility in educational delivery.

### 3.3. Ideological Basis

Education is slowly being drawn into the world of market as a panacea for the educational malaise underlined by a strong political and economic movement. The debate is loaded with ideological considerations while little evidence is produced. “Whatever one’s attitude toward privatization, it is a major economic and political movement in the United States”, Lieberman (1989, p.9). To Foskett (2002), quoted in Bush and Bell, (2005), marketisation is a global phenomenon which is a result of a developing perspective on the nature, purpose and role of education within society. Regardless of how the current crop of proposals for change is packed, the main force behind the ideological underpinnings is the common belief in the market as the pre-eminent regulator and guarantor of educational quality. “It can be argued that privatization is one of the most significant and most tangible products of the new political-social-economic algorithm”, Murphy et al. (1998, p.2). The concept is also seen as a consequence of decentralisation. Levin and Belfield (2003), see the change as consistent with the general movement towards less reliance on government and greater reliance on markets and other forms of decentralisation. Whitty et al. (1998), though distinguish quasi-market from the idealized type of free market, the phenomenon involves a combination of parental choice and school autonomy, together with a considerable degree of public accountability and government regulation. Thus, just as autonomy and accountability cannot be thought of as dichotomous or oppositional, so are autonomy and privatization are not mutually exclusive.

One of the strongest advocates of privatization of public education based on a strong ideological justification is Milton Friedman. In his article Capitalism and Freedom (1956), he argued that state monopoly held by public schools over the delivery of instructional services led to inefficiency and lack of innovations. In his view, the quality of educational services available to the public could be improved if the government ceded control of education to private suppliers in a competitive market. What role does he assign to the government then? “In such a free private enterprise exchange economy, the government’s primary role is to preserve the rules of the game by enforcing contracts preventing coercion, and keeping the market free”. The role of government in education is generally justified by the presence of conditions for market failure- to compensate the shortcomings of the market. Significantly, these ideological beliefs were circumscribed by the classical liberals who gave the limit of political power and advocated for individual liberty and private ownership of property. Nonetheless, the new trend of educational privatization has often been characterised as part of a global wave of neo-liberal policies during the 1980s and 1990s. “Within the neoliberal project, privatization is aspired to for economic and intrinsic reasons”, Karsten (1999). Martin (1993), views “privatization as part of a wider neo-liberal policy package”. Hence, the libertarians’ view of the rights of individuals has been given a new outlook and concept- the right to choose education and training as enshrined in the UN Universal Declaration of Human Rights.

In spite of all the ideological commitments of privatization and the problems associated with public education, “it is a national asset”, Noguera (1993). He adds that in times of crisis and national disaster they become the last resort. Hence, rather than absolutely abandoning the enormous infrastructure of public schools or leaving that role in the hands of the private sector, way should be found

to improve the quality of the communities that are served. "If nothing at all the claims of the privatization advocates must be challenged and exposed as nothing more than untested promises". According to Ayesha and Patrinos (1999), public education is justified to reduce inequality, open opportunities for the poor and disadvantaged, compensate for market failure in lending for education, and make information about the benefits of education more generally available. However, they are quick to admit that in Sub-Saharan Africa, which Ghana is not an exception, it is inefficient when it is misallocated among uses; it is inequitable when qualified potential students are unable to enrol in institutions because educational opportunities are lacking or because of inability to pay. At this point, proponents of privatization appear to have the momentum and political advantage where public schools are failing to meet the needs of students and the society, they find willing converts to their side.

### *3.4. Theoretical Perspective*

A market exists when there is an exchange mechanism that brings together sellers and buyers to establish purchase of goods and services at an agreed price. That is to say, it is any arrangement that brings together buyers who want a good (the demand side of the market) and the sellers who have it (the supply side of the market). In education, depending on the product or service delivery, the demand side may be parents, students/ pupils, school and colleges, government, employees, and public or private sector organisations either for profit or not for profit. As noted, depending on the product or service delivery any of these can also be on the supply side of the educational market. The ideal type of market model with its assumptions is the perfect competition market (atomistic market).

The market model is useful for explaining the present educational privatization in Ghana. In a market economy with a significant private sector, the current levels of output and consumption of products are the result of the varied decisions of households and firms being put into operation through the price system as they carry out transactions in the markets. Basic economic decisions about what to produce, how to produce and how products are to be distributed are determined by the interaction of buyers and sellers. The model focuses on how market forces of demand and supply shape the context within which the concept is being applied in Ghana.

Market based system leads to a more efficient allocation of productive resources in line with the demands of buyers, and that in the pursuit of individual self-interest (profit motive) it will produce economic results (lower costs and prices, innovative new products) which are beneficial to society as a whole. In essence, the price established by the interplay of demand and supply (equilibrium price) is assumed to be a unique price that is consistent with efficient production.

Advocates of market believe that market competition would replace the state monopoly and ensure efficiency. Competition will in turn create an incentive for schooling services to be provided at a lower cost. The market also ensures the existence of choice among economic units- households, firms and the government. Through choice and competition, the quality of education will be enhanced, thereby, leading to lower cost of provision. Thus, the structural make up of the model, market, will ensure competition and choice. Variety of schools will emerge to meet the needs of parents and young people. Government's primary role is to keep the market free and preserve the rules of the game. The mechanism and anatomy of the market provide the basis for those who want to shift the provision of education from governments to the private market place.

Perhaps what presents a greater challenge to the ideals of marketisation is market failure- the inability of the market to achieve an optimum resource allocation. Thus, externality as a form of market failure produces a 'third party effect' which spills over individual transactions of the market to the larger society. Such market imperfections create both social costs and benefits on human welfare. Therefore, both positive and negative externalities necessitate government's intervention in education to fill the vacuum created by the market. For instance, government's action is justified by ensuring that education contributes to a maximum degree of literacy and knowledge of citizens which will contribute to the general welfare of the society by providing a stable and a democratic society.

## **4. Findings of the Nature of Privatization of Education In Ghana**

### *4.1. Overview of Private Education in Ghana*

According to Kitaev (1999), formal private education existed in Sub-Saharan Africa long before the first government schools. The building of formal educational system in Ghana started with the colonial government in the form of castle schools in the foreign endeavours of the then Gold Coast in the 1600s and later as colonial schools in the 1800s. These schools were established with the arrival of the Portuguese in Ghana (formerly Gold Coast).

Mission Schools followed Castle Schools with the arrival of the Missions in the country. The Wesleyan and Basel Missionaries established schools in Cape Coast, Dixcove, Anomabu, Accra, all along the coast and Akropong, few miles away from the coast respectively in the 1830s and 1850s. Not only were missions regarded as the right bodies to manage education; they had more money than the government with which to do so. Yet the missionaries opened schools not to spread literacy or to train their students to earn a living; they did so because they thought that schools were one of the best means of spreading the Christian faith. It is significant to note that, schools in Africa quantitatively developed under the influence of European Missionaries only in the 18<sup>th</sup> Century and appeared in the cities, Kitaev (1999).

The first Education Ordinance in the country was passed in 1852 under Governor Stephen Hill. The ordinance failed due to the refusal of the people to bear the cost of education through the Poll Tax. Another Education Ordinance in 1882 brought two categories of primary schools in the country. "Government" and "assisted" schools. The latter was run by non-governmental bodies. Churches remained unsurpassed in the provision of education. At the end of the colonial period, 1950-51, there were altogether only two government secondary schools with an enrollment of 857 and eleven government-assisted schools (mostly church established schools).

In relation to funding, the colonial government provided substantial grant-in-aid subsidies to expatriate and missionary schools before independence. The unit cost of running private schools was lower than public schools because of lower staff cost as the teaching-force was composed of priests. According to Foster (1965), quoted in Kitaev (1999), "in Ghana, private schools, subject to a degree of government support or other sources of funding were called 'assisted', 'encouraged', 'educational trust' and private, with the latter group divided into those ultimately hoping to obtain government aid, and those purely profit-making institutions run by individual entrepreneurs.

After Ghana attained independence from British Colonial rule on March 6, 1957 education became a high priority on the agenda of successive governments. This was in pursuit of the objective which was affirmed in the 1961 Addis Ababa Conferences with strong emphasis on the improvement of primary and secondary education. Aggregate enrolment increased tremendously. However, the two decades after saw a contrasting trend. By the 1980s, Ghana's education system had become dysfunctional. Serious challenges confronted it. This crisis can be attributed to such factors as unmanageable inflows of pupils, inadequate resources, the inertia and inefficiency of school systems and the fact that the education provided was poorly suited to African conditions.

Since September 1987, the government of Ghana has embarked upon a New Educational Programme geared strategically at making education more accessible to all children of school-going age, improving equity and the quality of education as a whole and making education more relevant to the socioeconomic needs of the country. This is to equip the child to live a productive and meaningful life. Since the reforms began, a number of special programmes have been introduced to deal with specific issues to enhance the teaching and learning process. The overall objective of the education system is to play a dynamic role in the development of the nation.

In Ghana now, most skills are acquired outside public institutions. The reality is that a lot of private institutions are mushrooming. But how are they emerging? What are the consequences for the state and how do they fit into the national policy framework?

#### *4.2. The Legal Framework of Private Education in Ghana*

The Education Act of 1961 established the policy of free and compulsory primary and basic education for all children of school-going age. It also made provision for the establishment of private schools to augment government's efforts at providing enough schools to cater for the ever-growing demand for education, especially at the basic level. This led to the creation of the Private Schools Unit at the Ministry of Education in August 1973. In 1983, the Government enacted the PNDC Law 42 to modify and reinforce the Education Act of 1961.

The Reform Programme encourages private individuals to establish schools at all levels of education in the country. This is in line with government's acknowledgement of private entrepreneurs as development partners. It is also to facilitate access to all children of school-going age and offer options to parents on the education of their children. All private schools, with the exception of a few which do not come under the jurisdiction of the Ghana Education Service, conform to the new structure of education as laid down in the Reform Programme.

#### *4.3. Management of basic education in Ghana*

In line with the government's policy of decentralisation and privatization, the management of education at divisional, regional, district and school levels has been strengthened. The Central Government is essentially responsible for the provision and management of education in the country. The Ministry of Education performs this national assignment on behalf of the Central Government by formulating policies, seeing to the planning and monitoring of their implementation as well as providing the linkage between the national educational programmes and the network international and regional programmes.

The Ghana Education Service is the largest of the bodies under the Ministry and has the responsibility to implement pre-tertiary education policies formulated by the Ministry. It is headed by a Director-General. The Director-General is assisted by a high caliber of personnel who administer and manage education at the National, Regional, District and Circuit levels. Each of the 10 Regions of the country is headed by a Regional Director of Education while over 130 Administrative Districts of the country are headed by a District Director of Education. Every Region and District therefore has trained personnel to take charge of planning, budgeting, monitoring and supervision of education at that level.

Decentralisation and Privatization Policies entail greater local community participation in decision making. In order to foster this spirit, various bodies and committees have been established at local and District levels, according to the Local Government Acts of 1988 and 1993 which shifted responsibility for the administration of education to the districts and schools. Some of these are the Parent-Teacher Association (PTA), District Teacher Support Teams (DTSTs), District Education Planning Teams (DEPT), School Management Committees (SMCs) and District Education Oversight Committees (DEOCs). All these bodies co-ordinate their activities with the District. Whereas PTAs had been expected to play a largely a revenue raising function, the SMCs were to act like school boards, which already existed at secondary level. Annual School Performance Assessment Meetings (SPAMs) were to be key events at which the SMC, teachers, and the rest of the community could meet together. Armed with data from the most recent Performance Monitoring Test (PMT), which ranks each school in the district based on test results, they are to prepare a plan to improve school performance, National Educational Report, (2000). The situation with regard to the top level of authority, as well as all the intermediate levels, is somewhat more complex. Intermediate decision-making levels may consist either of local government or of locally-based or branches responsible to the higher authority.

Authority of a private school may reside with the school head (proprietor or proprietress); with the school management board or governing body or council (composed of representative of interested parties). There is democratisation of the school system, with strong participation on the part of parents with the freedom to choose schools within a given municipality.

#### 4.4. Types of Private Schools in Ghana

According to Levin and Belfield (1998), privatization come in three forms based on private provision, private funding and private regulation, decision making and accountability. In other words, the criteria for classification are based on provision and funding. To Kitaev (1999), in Sub-Saharan Africa, "private education is a heterogeneous category". In Ghana apart from provision and funding, the existence of different types of private education is related to the origin and context. Hence six main types of private education can be distinguished.

- Religious or denominational schools represent the first category of private schools in Ghana. The traditional ones appeared before public education developed. Majority of these schools are Catholics, Protestants and Moslems. Today, other denominations such as Pentecostals and Charismatics have also established their own private schools. In the mid 1980s, government took over the running of mission schools, but in recent times government has renewed the call to hand over mission schools back to their owners. The decision to hand over mission schools to their owners has been hailed by some religious leaders. There is no doubt about the immense contribution of denominational schools in the educational development in Ghana. Together with community schools, they are normally registered with public authorities, regulated by government legislation and many receive government subsidies and support.
- Profit-making institutions have risen as a result of increased and unmet demand for educational services. These schools have developed in urban areas to serve middle and higher income families and in sub-urban areas for low income households. According to Kitaev (1999), they provide more expensive and better quality instruction merely to compensate for the deficit of other learning opportunities for many in the rapidly urbanised areas. Their characteristics feature is tuition fees and other non-monetary contribution, which is the main source of funding. The actual volume of fees can vary considerably for low cost profit-making schools, and may even be less than the total expenses borne by parents in free public schools (uniform, contributions etc). The top end of profit making schools may be registered by public authorities, but their actual number, status and operation depend on the context.
- Community based/ Municipal or self- help schools make up in many cases the largest category of private education schools in Ghana. Some developed from former missionary schools, but in the majority of cases came into being when communities wished to complement, by their own efforts, insufficient provision of public education. They are normally registered by public authorities and regulated by government legislation. Examples of such schools are Urban Council and Local Authority Schools. They often receive government subsidies and other support, such as teachers paid by the central government. There are various modifications and combinations of criteria for community schools, depending on the modes of financing and management (i.e. completely unassisted by government, community schools with government support and government schools with some community support)
- Spontaneous or bush schools appear in specific learning conditions to meet the demand of particular groups of rural, urban poor and refugee schools which either way would have had no access to education. In most cases, they are not registered or approved by the public authorities. They are independent in funding, management and curriculum, and their quality of education is low in most cases. They also charge fees and accept contributions in kind, but at a minimum level, bearable for the local population. But in terms of their number and coverage, depending on circumstances, they may be more numerous than private registered schools.
- Schools for expatriates or specific ethnic groups may be another type of private education, serving the learning needs of specific population groups (minorities and different language groups). They may form part of the profit-making private schools and admit the local population, but in general, their number and share of enrollment are less compared to other categories of private schools.
- Private tuition by public teachers complement the formal public education which is a special category created as a result of inadequate access through examinations to particular levels of education. Some of these private tuition outfits are able to expand and incorporate formal aspects of school management into their activities. Thus, students are enrolled to spend the normal three years that is spent either at the Junior High School or Senior High School and sit for the final examination.

#### 4.5. Conditions for Setting up Schools

There are guidelines and regulations regarding the setting up of schools. Private providers are authorized to set up schools under certain conditions. In other words, there are some basic requirements every school has to meet before it gets approval from the Ghana Education Service (GES). The requirements include, at least three classroom blocks, two offices, a storeroom, reasonable number of textbooks and qualified teachers, urinal and toilet facilities, playing ground, first aid boxes, adherence to programmes and curriculum. However, because of certain peculiar problems, not all private schools are able to meet the required standards. For instance, most profit- making institutions may be registered by public authorities but actual status and operation depend on the context. In the case of bush schools they are normally not registered because they are often set up to meet specific learning conditions.

#### 4.6. Financing/ Subsidies and Management

Tuition fees form an important source of revenue for private schools. However, in analyzing tuition fees (charges), it is important to distinguish between not for-profit and for profit institutions. The former (mainly, community and religious) are heavily subsidized up to some point of current expenditure. Teachers in these private schools are paid by the state. In this case in theory, the state regulation and involvement in management is strong, although in practice this may reduce or stopped altogether. Where government gives partial

subsidies to schools the government exercises only a moderate degree of control over the management of such schools. Even though these categories of private schools receive subsidies from the state, they charge tuition fees just enough to cover their operation costs. Although these institutions are in a better position to receive outside assistance from the state, NGOs and the religious community, they are not exempted from financial difficulties and closure on account of payment arrears.

For unsubsidized and for-profit private institutions, school fees are obviously the main, if not the only source of revenue. Hence, the management of such institutions is normally based on individual initiatives. Thus, one person provides the capital, takes decisions, bears the risk and enjoys the profit or bears the cost as they may accrue. On some occasions there is a board that helps the proprietor/proprietress to run the school. These institutions tend to charge higher fees, but this is seriously hampered by the low standard of living of the people. Proprietors/proprietress must therefore balance their budgets by recruiting more pupils and/or cutting teachers' costs by using part-time staff. Financial restrictions can have a negative impact on the quality of the instruction provided. Generally, these institutions are in a vulnerable situation because their survival can be compromised by the weakened financial position of households.

In Ghana the tuition fees charged by private institutions vary widely. They are determined by a number of factors, some endogenous to the institutions and some exogenous. The former has to do with operating cost and the founder's policy concerning the teaching staff, enrollment and subjects taught. Exogenous factors relate rather to the schools clientele and location. For example, tuition fees tend to be higher in urban than suburban areas. In most cases government does not put any limit on private school fees.

Tuition fees are also very important to the way the institution functions. As part of demand and supply mechanism, low fees are often set in order to increase enrolment, but this may detract from the quality of instruction if classes are overcrowded. Conversely, high tuition fees usually mean that the institution is targeting a particular social category, a strategy that entails wealth-based selectiveness and small class size. However, institutions that charge higher tuition fees generally, have a good reputation, which keeps demand relatively high. Some parents who wish to send their children to expensive institutions may be forced to borrow funds to meet the fees.

#### 4.7. Enrollment of Pupils/Students and Teachers

This part of the paper is based on statistical data regarding enrolment, teachers, and pupil/teacher ratio both private and public schools. The information provided for this analysis is in relation to only registered types of private schools and all types of private schools. The analysis is meant to understand the impact of private education at the basic level and how the variables above in private schools are compared to public schools. The information is based on National Profile of Public and Private Schools for the 2010/2011 academic year.

Type of Education	Public	Pr Private	Total	%Public	%Private
Creche / Nursery	28,422	210,248	238,670	11.9	88.1
Kindergarten	1,180,760	310,938	1,491,698	79.2	20.8
Primary	3,198,520	764,259	3,962,779	80.7	19.3
JHS	1,100,671	234,729	1,335,400	82.4	17.6
Total	5,508,373	1,520,174	7,028,547	78.4	21.6

Table 1: (Number of Enrolment by type of Education)

Source: SRIMPR Division, MOEYS

Overall, the share of private education constitutes about 21.6 percent of total enrolment at the basic level. Thus, with a total number of 1,520,174 out of 7,028,547 the private sector discloses a modest share of private education in Ghana. It takes 88.1 percent of creche/nursery education. This indicates that the share of private education at crèche/nursery is relatively higher. The public share of nursery education is a pointer to the fact that, the focus of government is not on nursery. The private contribution to total enrolment at kindergarten is 20.8 percent. Public schools take a greater percentage of Primary and Junior High School education with 80.7 and 82.4 percent respectively.

	Public				Private			
	Male		Female		Male		Female	
	Trained	Untrained	Trained	Untrained	Trained	Untrained	Trained	Untrained
Nursery	38	52	183	567	126	822	302	6,178
Kindergarten	1,888	3,553	10,372	15,782	186	2,193	474	7,036
Primary	30,486	27,438	29,134	7,869	2,225	18,559	1,081	7,567
JSS	34,849	12,141	16,277	1,919	3,072	12,271	604	2,206
Total	67,261	43,184	55,966	26,137	5,609	33,845	2,461	22,987
	60.9%	39.1%	68.2%	31.8%	14.2%	85.8%	9.7%	90.3%

Table 2: (Number of Teachers by Type of Education)

Source: SRIMPR Division, MOEYS

The quality of teaching is measured by teacher training and the methods employed, including student supervision and time on task. The proportion of teachers who are trained particularly in primary education is very high in public schools. This is partly because of the nature of the growth of private schools, which typically do not require their teachers to be trained. Whereas 60.9 percent of male teachers in public schools have received formal training at the basic level, only 14.2 percent of their counterparts in private schools have received the requisite training for their work. By the same token, trained female teachers in the public sector constitute 68.2 percent while untrained female teachers in private sector constitute an astronomical 90.3 percent.

Given the number of trained teachers at nursery schools, pupil/ teacher ratio in public schools is 129:1 while in the private sector it is 491:1. At the kindergarten level, public schools still have the best pupil /teacher ratio of 96:1; while private schools have 471:1. At the primary level, the ratios for private and public schools are 57:1 and 231:1 respectively. Finally, the ratio of pupils/ trained teacher is 22:1 at the public sector while the private sector discloses a low figure of 64:1. This is explained by the fact that, pupil/teacher ratio in public schools is far better than public schools.

## 5. Private Education in the Netherlands

### 5.1 *The Legal Framework of Private Education in the Netherlands*

Article 23 of the Dutch Constitution guarantees freedom of education, which embraces the freedom to set up schools, freedom to determine the principles on which they are based (freedom of conviction) and freedom of organization of teaching. The freedom to set up schools, which has been guaranteed by the Constitution since 1848, means that any individual or body has the right to set up a school without the prior approval of the authorities. It implies that different groups in society have the right to establish schools on the basis of their own religious, ideological or educational beliefs.

The freedom of conviction means that, the competent authority, (governing body responsible for school administration) may tailor instruction to reflect its religious, philosophical or educational convictions. The freedom of organization of teaching refers to the freedom of the competent authority to determine the content of teaching and the teaching methods used. The exercise of this Constitutional right has led to the emergence of a great variety of educational establishments which fall, however, into two main categories – publicly run and privately run schools.

Private schools are established upon individual initiatives and administered by a governing body governed by private law. The competent authority of a privately run school is the board of the association, foundation or church body that sets it up, foundations being the most common. If public and private schools cooperate and share the same competent authority, they have the option of choosing a competent authority governed by either private or public law. Statutory regulations safeguard the provision and nature of public education within schools of that kind.

Under the terms of the Constitution all schools – publicly run and privately run – are funded on an equal financial footing. The legislation on education governs privately run schools as well as public authority schools and takes into account the Constitutional freedom of education.

### 5.2 *Types of Private Schools*

The majority of private schools are denominational schools. Most of these are Catholic and Protestant establishments, but there are also establishments founded by other religious groups (like Islamic schools). Many private schools are also non-denominational, basing their programmes on ideological or educational principles. In private education as well as in public education, the Netherlands has a relatively large number of schools based on particular teaching philosophies, such as Montessori, Steiner, Jenaplan, Dalton and Freinet schools.

### 5.3 *Conditions for Setting up Private Schools*

The standards required for setting up schools are set out in government legislation on education. These specify minimum enrollments and, at primary level, are based on pupil density within the local authority area, i.e. the number of children aged 4 to 12 per square kilometre. A private secondary school may be included in the *Plan van scholen* (Plan for new schools) for setting up new establishments, if it can be demonstrated that the number of pupils likely to be enrolled exceeds the legal minimum for a school of this type. An application to create a new school must include an estimate of probable enrollment.

### 5.4 *Funding*

Since 1917, public authorities have been providing 100% funding for both public and Private sector schools. This equal support is a fundamental principle of Dutch society. Although at the outset only primary schools were eligible for equal funding, financial equality has gradually been extended to all levels of education up to and including university education (as of 1970). As a condition of funding from the public purse, the law lays down that private educational establishment must be maintained by a legal person with full legal competence, whose aim is to provide education, without any profit-making motive.

Financial equality is carefully regulated in relation to all types of education. Application of the rule of equal funding means that if, during a given year, the running costs met by local government for public education exceed state subsidies to private schools, the local authority must in principle pay the difference for private schools. However, certain needs-based subsidies do not have to be paid to all schools in the same amounts, if their needs differ.

Subsidies to private schools are based on the cost of the facilities, equipment, staff and running expenses of public sector schools of the same level. This means, in particular, that the public authorities pay the salaries of teachers and technical staff to the competent authority for each school. Private schools often receive contributions from parents or have the resources of their own. These funds may be used for different purposes such as teaching materials, extra-curricular activities or even to engage additional staff or to pay the staff a supplement to their regular salaries. In order for a school to receive state financing, the competent authority must comply with certain conditions set out in specific government laws and regulations.

In general, schools must observe rules on the admission of pupils, must have a non-profit making status, and their governing body must belong to the Appeals Commission. Quality norms in relation to teachers' qualifications, compulsorily taught subjects in each kind of school and final examinations are also applicable.

#### 5.5 Appointment and Conditions of Service of Teachers

The Constitution explicitly states that the freedom to set up schools includes the freedom to appoint teachers and choose teaching methods. The competent authority of a school is thus free to recruit teachers, on the sole condition that they are able to produce a certificate of good conduct and a teaching certificate. Private schools have the right to appoint, exclusively or as a matter of preference, teachers who subscribe to the school's particular religious, philosophical, or educational views. Teachers appointed to public sector schools are formally public sector personnel, while private school teachers have a contract of employment under civil law. The legal status of teachers is laid down in decrees per education sector. The decrees apply directly to public sector teachers and are a condition of receipt of subsidy for private schools. In other words, if a private school wishes to receive funding, its administration must incorporate the decree's provisions into the conventions on working conditions for its staff. The State then pays their salaries, which are identical to those of public sector teachers. For purposes of the legislation on retirement pensions, all teachers are treated as civil servants.

#### 5.6. Trends

Private schools in the Netherlands have considerable autonomy within the general legal framework. The Constitution explicitly provides for freedom of private education in terms of teaching methods and the recruitment of teachers. Private schools also have complete freedom in determining the membership of the governing body (*bevoegd gezag*); relations with parents and the various education support organisations; provision of religious instruction and subjects outside the compulsory curriculum or school hours. Financial and legal support for private education has contributed to the development of education based on different philosophical and religious convictions and responding to a historical demand which is very much alive in Dutch society. The division of enrollment between public and private sector schools has remained practically stable since the beginning of the century; with about two third of primary and secondary school pupils attending private establishments. Over the last decade, some important changes in government itself have had a large impact on private and public sector schools. These changes are decentralization, cutbacks, deregulation and privatization. Decentralisation, or the shift incompetence and responsibilities from central to local governments, led to a decrease in the influence of national umbrella organisations. With cutbacks, the conditions for government funding became stricter. Schools looked for other sources of income, mainly from the market. Private and public sector schools become more 'look alike'. Public sector schools can now opt for a form of public or private legal status. Administrative cooperation of public and private schools is possible; institutional cooperation is under consideration. This will contribute to erasing the line between public and private sector schools. Overall, denominational and private non- denominational schools constitute a large share of educational provision in the Netherlands contributing about 66.9 percent of PO (primary education including special schools) and 73 percent of VO schools (secondary education).

### 6. Comparative Analysis of Educational Privatization in Ghana and the Netherlands

According to Whitty et.al (1998, p.6), "national educational systems are both like and unlike each other in a number of ways". Despite variety of perspectives between Ghana and the Netherlands this comparison is generally concerned with the search for common characteristics and differences that identify distinctiveness of national policy developments.

#### 6.1 Similarities

The emphasis is to identify the contextual similarities between the two countries. Legislative framework for the two countries indicates a general acceptance of the concept. The Dutch Constitution since 1848 guarantees the freedom for any individual or body to set up schools without the prior approval of the authorities. The exercise of this right has led to the establishment of a great variety of educational institutions- publicly run and privately run schools. Similarly, the Educational Act of 1961 made provision for the establishment of private schools in Ghana to complement the effort of government in meeting the ever increasing demand for educational services. The Educational Act of 1961 has been modified by the PNDC Law 42 in line with the policy of decentralisation. The share of private capital has therefore increased tremendously.

The two countries also have standards required for setting up private schools. In the Netherlands, these are set out in government's legislation for education. Among other things, it specifies the minimum enrollment and at the primary level it is particularly based on pupil density within the local area. That is, the number of children aged 4 to 12 per square kilometre. What is considered very important is the estimation of probable enrollment. Fundamentally, the requirements in Ghana include at least two classroom blocks, a

storeroom, two offices, reasonable number of textbooks and qualified teachers, urinal and toilet facilities, playing ground and compliance with the Ghana Education Service (GES) programmes and curriculum.

### 6.2. Differences

Apart from the similarities delineated above, there are a lot of contextual differences that can be identified with the two countries. Those differences present an understanding and features of funding, types, ownership and management with the application of the concept at the two settings.

The basic difference between private schools in Ghana and the Netherlands is the different types of private schools of the two countries. From a broader perspective, while two main types exist in the Netherlands based on denominational and non-denominational schools, in Ghana, apart from these categorizations, different types can be determined by origin and context. Different types of private schools in Ghana may be explained by the fact that, private education is less regulated and context specific than public education. Thus, whilst private education in the Netherlands is 'tightly regulated' and are comparable to public schools in the input and output characteristics, in Ghana the degree of variation is much more noticeable, and is linked to variations in demand and supply of education. For instance, expatriate, community (self-help), and bush schools are established to meet certain specific educational demands. Compared to the Netherlands where demand is balanced with supply, private schools in Ghana spring up for the reason of unmet demand and the consequences of rapid urbanisation, the emergence of a class system, a growing informal sector and other traditional features of the society.

Another significant contextual difference relates to funding/ financing. Under the terms of the Dutch constitution, all schools- publicly run and privately run- are funded on an equal footing. Since 1917, public authorities have been providing 100% funding for public and private sector schools. As a condition of funding from the state, the law states clearly that a private school must be maintained by a legal person with full legal competence, whose aim is to provide education, without any profit making motive. Thus, private schools are funded as a rule- directly or indirectly in the Netherlands. Another significant feature of the funding model in the Netherlands is the outcome based funding. In Ghana, community and denominational schools receive subsidies from the state up to a point and have to supplement and augment their finances by charging school fees. In the case of unsubsidized schools they do not depend on the state for provision of funding but depend on tuition fees and at times the generosity of the community and there is no doubt about their profit- motive.

Perhaps, what explains why some schools receive partial and in some cases, no funding from public expenditure in Ghana but 100% funding from the public purse in the Netherlands can be partly attributed to the relative strengths of the economies of the two countries. The fragility of the Ghanaian economy with a per capita income of about \$ 600 presents some practical difficulties for public finance. In Ghana educational budget has to be supplemented with inflows from bilateral and multilateral donors. The model for educational spending is that, while government and communities take recurrent expenditure (payment of salaries etc.); donor agencies (The World Bank, IMF etc) in most cases shoulder the capital expenditure. Hence, any shortfalls from donor inflows seriously affect government's current and capital expenditure in the sector. Thus, while public and private schools are funded 100% and on an equal footing in the Netherlands, only community and denominational schools receive partial funding from the state. For these disparate reasons, schools in the Netherlands are not maintained for profit, but the opposite case happens in Ghana where most private schools are managed as profit oriented entities.

While private share of education in the Netherlands is about 66% to 70% it modestly contributes about 22% at the basic level in Ghana. The statistical information indicates that, the concept has received a widespread acceptance in the Netherlands than in Ghana. This means, despite the legislative framework that allows private share and financing in education there has not been a full scale implementation and acceptance of the concept in Ghana.

Apart from denominational schools, the administration of private schools in Ghana is based on individual initiatives. Thus, one person provides the capital, takes decision, enjoy the profit and bear the costs as they may accrue. In the Netherlands, private schools are managed by a governing body governed by private law.

In sum, the private education system in the Netherlands can be summarized in the words of Karsten (1999) as "state education", yet managed by private organisations. However, the nature of private education in Ghana shows a variety of types of private education in the midst of poverty.

### 7. Lessons for Stakeholders and Policy Implications

Ideally, private provision should be seen as complementing the public sector. Private schools are established in a complex context, combining diverse components catering for different segments and aiming at various objectives.

The state should not necessarily discourage institutions that compete with the public education system, since these institutions not only meet social demands but also bring a competitive spirit to the entire educational system. This can raise standards, leading to more stringent requirements and higher quality delivery. With the emergence of new stakeholders in the training market and the penetration of market mechanisms, the role of the state in educational provision has changed. Beside provision and funding, the state should also play a new role of regulation. This role is meant to support private provision but also to prevent the development of a large illegal sector. It is therefore the task of public policy to ensure coherence by setting new guidelines and regulate. The state cannot rely on market forces alone, paying no attention to the way private education operates. The conditions needed for a fair balance (equality of opportunity) and the quality of instructions have to be seriously looked at since the market model might not be all that perfect.

It is in line with equality of opportunity that the current debate in Ghana as to whether government should include private school pupils in the disbursement of its proposed capitation grant is significant because it sets the tone for a renewed debate on government's policy on basic education, within the context of the constitutional provisions on education in Ghana. Many stakeholders- members of government, the opposition, The Ghana National Association of Private Schools and The Ghana National Education Campaign Coalition have all reacted. All these developments are healthy for the purpose of building consensus around a national policy direction and focus, and indeed good for our young democracy. The argument that children in private schools should not also enjoy the capitation grant as those in the public schools to ensure fairness is misplaced. An attempt to exclude private schools pupils from enjoying the capitation grant is not consistent with the principle of social democracy. Article 38 (2) of the 1992 Constitution of the Republic of Ghana guarantees "all persons the right to equal educational opportunities and facilities". To achieve this right, the constitution provides that basic education shall be free, compulsory and available to all which in this case must also include the children of parents at private schools.

## 8. Conclusion

Private provision of education in Ghana should be seen as complementing the public sector. Hence, there should be room for harmonisation of educational policies between private and public education. Education must not only be treated as a public good, but also as a private good to be provided by the state and the private sector in line with the new paradigm shift. The role of private education therefore should be well defined in the national policy framework to focus more on specific differentiated demand where government supply of education is often viewed as inefficient and insufficient. Again, at a time where there is a serious crisis of public funding, the co- existence of public and private education system would allow more flexibility in expanding available resources. For us as a country, privatization of education development must be seen as a policy in line with decentralisation in education, delegating certain administrative, managerial and funding responsibilities to religious authorities, communities and individuals for the provision of basic education in the regions and areas where the government has insufficient learning conditions. Within the context of the constitutional provisions on education, it means guaranteeing access to education for all the school-age population. The government has made a commitment; let us find ways of monitoring the implementation of these commitments for the good of all. It is the effective monitoring of the process that will reveal the gaps, which can be corrected to make education more accessible than it is today.

## 9. References

1. American Council on Education. Washington D.C.
2. An Overview of the Educational System at the End of the Twentieth Century (2000). National Educational Report: Accra: Ministry of Education.
3. Atchoarena, D. & Esquieu, P. (2002). Private Technical and Vocational Education in Sub- Saharan Africa: Provision, Patterns and Policy Issues. Paris: IIEP/ UNESCO.
4. Ayesha Y. V. & Patrinos H. A. (1999). Private Education in West Africa. Washington D.C: The World Bank.
5. Books, Buildings, and Learning Outcomes: An Impact Evaluation of World Bank Support to Basic Education in Ghana (2004). Operations Evaluations Department.
6. Bush, T. & Bell, L. (2005). The Principle and Practice of Educational Management. London: Paul Chapman publishing.
7. Christopher, L. & Sarah, T. L. (2004). Re-examining a Primary Premise of Market Theory: An Analysis of NAEP Data on Achievement in Public and Private Schools. National Centre for the Study of Privatization in Education. New Jersey: Columbia University.
8. Dalin, P. (2005). School Development: Theories and Strategies. London and New York: Continuum.
9. Dictionary of Economics (1998). Great Britain: Unwinhyman.
10. Eyiah, J. K. (2004- 03-27). Brief History of State- Organised Education in Ghana. General News/ Brief History of State- Organised Education.htm.
11. Friedman, M. (1955). The role of government in Education: Economics and Public interest. New Jersey: Rutgers University Press.
12. Friedman, M. (1962). Capitalism and Freedom. Chicago: University of Chicago Press.
13. Government to hand over Mission Schools (2005- 04- 20). General news of Wednesday, 20 April 2005.htm.
14. Karsten, S. (1999). Neoliberal Education Reform in the Netherlands. Comparative Education, vol. 35, pp. 303- 317.
15. Kitaev, I. (1999). Private Education in Sub-Saharan Africa: A Re-examination of Theories and Concepts related to its Development and Finance. Paris: IIEP/ UNESCO.
16. Levin, M. H. & Belfield, C. R. (2002). Educational Privatization: Causes, Consequences and Planning Implications. Paris: IIEP/ UNESCO.
17. Levin, H.M. & Belfield, C. R. (2003). The Market Place in Education. Occasion paper No. 86. National Centre for the Privatization of Education. New York: Columbia University.
18. Lieberman, M. (1989). Privatization and Educational Choice. New York: St Martin's Press.
19. Murphy, J., Gilmer, S. W., Weise, R. & Page, A. (1998). Pathways to privatization. London: Alex publishing Corporation.
20. National Profile of Public and Private Schools (2012). Accra: Ministry of Education, Youth and Sports (MOEYS).

21. Noguera, P. A. (1993). *Confronting the Challenge of Privatization in Public Education*. Published in Motion Magazine staff, (1998).
22. Perran, P. (1998). *Cost sharing in Education- Public Finance, School and Household Perspectives*. Educational Research Paper No. 27: Department for International Development.
23. Quist, H. O. (2003). *Secondary Education – A Tool for National Development in Ghana. A critical Appraisal of the Post-Colonial Context*: Council for the Development of Social Research in Africa.
24. *Statement by the Ghana National Education Campaign Coalition (2005)*. Ghana's Educational Policy Direction. Accra: International Conference Centre.
25. The Netherlands (2000). *Private Education in the European Union. Organisation, Administration and the Public Authorities' Role*: [www.eurydice.org/ Eurobase/ Application](http://www.eurydice.org/Eurobase/Application).
26. Tooley, J. (2005). *Is Private education for the Poor?* England: University of Upon Tyne.
27. White, O. C, & Anita, B. (1998). *Privatization in Africa*. Washington D. C.: The World Bank.
28. Whitty, G., Power, S. & Halpin, D. (1998). *Devolution and Choice in Education*. Buckingham: Open University.
29. Wikipedia, the Free Encyclopaedia. [http://en.wikipedia.org/wiki/main\\_page](http://en.wikipedia.org/wiki/main_page)