Over the past 3-4 decades, three countries — Canada, Finland, and Cuba — have pursued a public investment model in education, while producing consistently high scores on international assessments since 2000.

Conversely, three countries — the U.S., Sweden, and Chile — have privatized part or all of their education systems, with consistently low or falling test scores. While not proving causality, this study explores the potential reasons for these two divergent approaches and outcomes.

**DIFFERENT STRATEGIES, DIFFERENT OUTCOMES:**

**Public Investment**
- Increasing achievement overall
- Greater integration of schools
- More equity in access and outcomes
- Increasing attainment across student groups
- Teachers with high levels of knowledge and skills

**Market-Based Privatization**
- Declining achievement overall
- Greater segregation by race and class
- Greater inequality in access and outcomes
- More push out of low-achievers
- Teacher shortages combined with more unequal distribution of knowledge and skills
Education Reform Strategies: PUBLIC INVESTMENT

FINLAND

PISA Score* 529 +32 Above OECD Mean

In the 1970’s, Finland focused on equity in its education system, recognizing the need to prepare all of its citizens. It pursued a strategy of investment in teachers, from funding their graduate studies to providing them adequate planning time. Since 2000, Finland has consistently high PISA scores.

CANADA

PISA Score* 522 +25 Above OECD Mean

In the 1990’s, Ontario began privatizing education by cutting funding, closing schools, and instituting vouchers. Families and teachers disliked this approach so much that, in 2003, they democratically voted in Dalton McGuinty on an educational investment platform. The new whole system reform model focuses on preparing citizens as whole children and bringing parents, teachers, and the government together, with better student outcomes.

CUBA

SERCE Score† 50% +37% Above Latin American Mean

Since the 1960’s, Cuba has invested heavily in increasing equity and universal access to education. It began with a literacy campaign and has evolved to include high levels of teacher preparation, alleviation of deep poverty inhibiting students, and maintaining safe schools with students having the same teacher for multiple years.
Education Reform Strategies: MARKETS & PRIVATIZATION

**SWEDEN**

**Policy Drivers**
- Privatization
- Deregulation
- Unsupported Decentralization

**Economic Rationales**
- Efficiency
- Choice/Competition/Quality Axis
- Scarce Resources
- Equity

**Education Mechanisms**
- Vouchers
- Charter schools
- Markets
- Standardization
- Test-based accountability

**PISA Score**
- **482**
- Below OECD Mean

Following a financial crisis in the 1990’s, Sweden’s government deregulated education, shifting from a social welfare model of producing democratic citizens to a competitive model in which private schools often replace public ones. As the market-based model became central in the 2000s, Sweden’s international test scores declined, moving from above the OECD average to below it.

**UNITED STATES**

**PISA Score**
- **492**
- Below OECD Mean

Like Canada, the U.S. has different educational approaches, but has consistently performed below the OECD average, mainly due to high levels of inequity. Recently, the privatization of schools has occurred by promising school choice through charter schools to families in New Orleans and other cities. However, charters often focus on making profits, teaching to the test, lack public oversight, and exacerbate stratification.

**CHILE**

**SERCE Score**
- **19%**
- Above Latin American Mean

In 1980, Chile privatized its education system, instituting a voucher system with families receiving government money and choosing any type of school. This reproduces social inequality as parents “top up” the voucher, buying slightly better education. In 2011, hundreds of thousands of Chileans protested educational inequities and changed the government.

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*All Subjects, 2012
† Students at highest proficiency level in Math and English, Grades 3 & 6 in 2006
We examined three pairs of countries that have organized their education systems using distinctive economic, educational, and political paradigms. The market-based approaches in three countries emerge from neoliberal ideas that the freedom of consumer choice results in a market equilibrium benefiting both individuals and communities. In contrast, three nearby jurisdictions took a public investment approach, seeking to improve education systems by investing in stronger curriculum, teaching, and other resources. We have seen that these different approaches produce — at the system level — quite disparate results, shown above.

The market-based reforms have featured a variety of ways to provide public funding to privately managed schools, through vouchers, charters, contracts, and other tools. They have also typically featured test-based accountability (arguably, providing the information by which consumers can make choices), and market-based strategies for organizing the teaching force — usually eliminating requirements regarding preparation and licensing — and thereby deprofessionalizing the teaching force. Sometimes the reforms have also weakened collective bargaining or other negotiating capacity for teachers and other public school employees.

The public investment strategies have typically sought to create an equitable platform of funding for public schools and an equitably distributed, high-quality curriculum and teaching force. These strategies generally entail policies that professionalize teaching through stronger preparation and professional development that supports educators to teach a rich curriculum to diverse learners. These jurisdictions use tests or assessments for different purposes: to inform investment and improvement strategies at the state and local level, rather than to determine which schools to close or teachers to fire. Finally, these jurisdictions see education as a public good and schools as owned by their communities, with a strong two-way relationship between the two.

A new book, *Global Education Reform: How Privatization and Public Investment Influence Education Outcomes*, provides a powerful analysis of these different ends of an ideological spectrum — from market-based experiments to strong state investments in public education.

Written by education researchers, the authors compare the differences between the privatization and public investment approaches to education in three pairs of countries: Finland and Sweden, Canada and the U.S., and Cuba and Chile.

The book consolidates the best available evidence on the implementation issues and specific results of these different approaches.

With contributions by Michael Fullan, Pasi Sahlberg, and Martin Carnoy, and edited by Frank Adamson, Björn Åstrand, and Linda Darling-Hammond, *Global Education Reform* is an eye-opening analysis of national educational reforms and the types of high-achieving systems needed to serve all students equitably.

More infographics, videos, and reports available at: https://edpolicy.stanford.edu/GlobalEdReform