

# **Private Schools as Drivers of Social Segregation: Why Private Schools Should Be Regulated**

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#### Abstract:

In international comparison, the share of pupils enrolled in private schools is expanding and the access to private schools is socially unequal. There is a need for the regulation and control of private schools. Focusing on Germany, this contribution discusses how such a regulation might look like without endangering the freedom for the foundation and pedagogical operation of private schools.

## Keywords:

Germany; private schools; public subsidies; school choice; social segregation

The percentage of children attending private schools has increased significantly over the past three decades (Koinzer et al., 2017; Verger et al., 2016). In particular, an expansion can be seen in developing and emerging countries. However, an expansion of the private school sector can also be observed in some OECD-countries (Organisation for Economic Co-operation and Development, 2021; United Nations Educational, Scientific and Cultural Organization, 2021). Even in Germany, which is considered to have a low proportion of private school students by international standards, private school attendance has risen in the last two decades (Nikolai & Koinzer, 2017). Worldwide, the proportion of children in private elementary schools has increased by 10 percentage points, from 9% (1990) to 19% (2019). In secondary education, the share of students in private schools is even higher (27% in 2019, United Nations Educational, Scientific and Cultural Organization, 2021). Private schools for which states provide substantial subsidies and which receive subsidies for more than 50% of their costs, are expanding the most rapidly. In the cases of contract schools (e.g., charter schools in the USA, academies/free schools in England or friskolar in Sweden) - which are a form of a hybrid between public and private schools - the state bears the costs for teachers and operational spending up to 100%. It is often the state itself that contributes to an expansion of private schools by subsidizing them because often only state subsidies make it possible for new private schools to be founded, especially if they are maintained by financially weak agencies (e.g., free churches, religious communities, parents' initiatives, non-denominational foundations, etc.).

The worldwide expansion of private schools prompted the

United Nations Human Rights Council (UNHRC) in 2016, for the first time in its history, to adopt a resolution calling on UNHRC member states to more closely regulate private education providers (UNHRC, 2016). This historic resolution was influenced by the fear of the negative effects of increasing commercialization of education and of social segregation. But is this concern justified? In this essay we will discuss whether this concern is justified and what states can do to regulate the expanding private school sector - or whether efforts are doomed to failure. We discuss this question using the example of Germany - a country that (still) has a low private school quota in international comparison, but which subsidizes private schools generously. First, we look at possible reasons why parents choose a private school. Then, we address the social effects that an increase in private school attendance rate may have in school systems. Finally, we discuss how states can regulate the expanding private school sector to cushion its expansion socially. We refer to the situation in Germany because we assume that far-reaching state funding of private schools, as in Germany, should go hand in hand with equally far-reaching regulation and control.

## Various Parental Motives for Choosing a Private School

The concern about the increasing social segregation between schools and different providers is not unfounded, as it is evident in many countries that private schools are becoming increasingly socially segregated and that the social divide between public and private schools has increased in recent years. Private schools are almost always socially privileged schools. Several studies point out that

private schools are attended more by children whose parents have a higher social status, a higher level of education and/or a higher income (e.g., for Germany see Helbig et al., 2017).

Particularly in urban areas, where parents have a greater choice between different types of schools, school profiles and providers, parents from socially higher strata tend to enrol their children in private schools rather than public schools, thus isolating themselves socially. There can be various reasons why parents decide to choose a private school for their children. A special educational or religious profile of a private school can be one parental choice motive. Another factor that can often play a role is parents' belief that private schools promise a better school education and/or a better fit between their own parental milieu and the values taught at a private school. Social distinction, i.e., the conscious separation from certain special groups, can also be a motive for parental choice. Finally, there are pragmatic reasons, such as when the last public school in a rural area has been closed and the next accessible school in the family's neighbourhood is a private school (see for the parental motives in Germany e.g., Helbig et al., 2017; Mayer, 2019; Schwarz et al., 2018). Overall, one must ask whether the ongoing discussion about what constitutes a 'good school' has not served to reinforce the privatization of the school system. A good school must be autonomous, it must set itself goals and give itself an (innovative) profile, the school management must be a good leader, quality must be assured and competition between schools is viewed positively. From this perspective, school is understood like a company in the course of new public management. If this is what we expect of a good school, then this naturally benefits private schools first and foremost. Why settle for the copy when you can have the original? What is more, the use of management-speak in the school system has led in part to local school network planning becoming more difficult, because now public schools are also competing for students and parents with 'innovative concepts'. In the process, any distinction, any escape from socially disadvantaged schools can be rationalized via certain school profiles.

However, whether parents can realize their school choices depends in turn on whether private school attendance is affordable. Especially for parents from the middle or lower social classes, the size of school fees can be a decisive factor. The affordability of private schooling is again affected by whether private schools receive government subsidies. In most cases, it is only with the help of governmental subsidies that private schools are able to keep school fees low or even not charge any school fees at all. Thus, the subsidy policy of private schools is an important framework for the development of private schools.

School policy in Germany creates a private-school-

friendly environment, and private schools have been expanding in recent years, especially in urban areas (Nikolai & Koinzer, 2017). In Germany, regardless of their sponsorship (denominational or non-denominational), private schools as substitute schools (Ersatzschule) receive high public subsidies. The amount varies between the German federal states from 60-100% of the cost per pupil paid to all schools.

## Private Schools as an Avoiding Net and Fallback Option

Attempts at reforms aimed at reducing social inequalities in the school system can always trigger reactions from higher social strata. Parents from higher social strata accept such school reforms only if they obtain options for reproducing their social status (e.g., see Solga & Becker, 2012). Parents in Germany have used the fallback options of private schooling in recent years and have exacerbated social inequalities between public and private schools. It is therefore questionable whether, in a socially dividing world, private schools are still socially accessible at all for children from lower socio-economic classes (on worldwide inequality e.g., see Piketty, 2014; Scheidel, 2018). The (moneyed) elite in particular will always be able to buy a good education - especially via internationally oriented schools - and will justify this with the functional requirements of globalization. However, social inequalities in private school attendance have long been an issue not only for the reproduction of elites. The better-off middle classes in cities also use private schools. Whether they argue that the school in question offers an interesting school profile for their own child's needs or openly state that there are too many poor children or children with an immigrant background at the public school in the neighbourhood is irrelevant because the result is the same.

But one should also not think that social segregation of schools manifests itself only through the presence of private schools. In urban areas, the social segregation of schools also always reflects the social segregation of residential quarters. If there are many poor children living in a neighbourhood, there will also be many poor children at the local school. The same is true in a single-family-type housing estate with many economically strong parents. Social segregation of schools is thus always an expression of social inequalities in a society. Whether through the channel of private schools, residential segregation in cities, or both.

## States Are not Powerless – There Is the Need for Regulation and Control

Are states powerless? Or do states have the possibility of regulating the private school sector and reducing the rising social segregation between public and private schools? We are convinced that this is possible, and we see

the following fields of action in which states can and must be active.

In view of the increasing expansion of private schools and their consequences for social segregation, the question arises in school policy as to how the freedom to establish private schools (guaranteed in many constitutions, e.g., in Germany in the Basic Law), the equal treatment of public and private schools, and the goal of reducing educational inequalities and creating equal educational opportunities can be achieved. We are convinced, that this is possible, as long as private schools receive public subsidies in the following ways;

- (1) To ensure social accessibility, legislatures in the federal states should compensate schools for the loss of tuition revenue. For example, private schools could completely remove school fees (like in Rhineland-Palatinate in Germany) or exempt parents from low-income families from paying school fees if they are not able to afford them.
- (2) Subsidies for state-supported private schools should be linked to the number of students from

- low-income families. In return, private schools must provide information - in anonymous form about the social composition of their student body.
- (3) There should be a limit on the total revenue of private schools. If the financial imbalances between public schools and private schools become too great, private schools will become more attractive and attract even more money. The regulation in North Rhine-Westphalia (one of the German states) might be a possible solution. In this federal state, the income from school fees is factored into the state funding. Too much private income leads to a decline in state funding.

The above-mentioned requirements must be complied with in practice and regularly monitored by the school authorities. This requires effective regulation and monitoring. If the state funds private schools, then it should link this to clear and verifiable requirements: the higher the state funding, the more extensive the requirements. School politics may not be powerless and should move forward courageously. If not, private schools may increasingly become a driver of social segregation.

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