

## Education and the logics of Multinational Business – Stephen J Ball

Active and effective responses to policy need to be well-informed, but getting well-informed is increasingly difficult in relation to education policy as the state system is disarticulated, new players get involved and new methods of practice are introduced. The problem of knowing what is happening is made still more difficult as private providers, with commercial sensibilities and headquarters in other countries, take over chunks of education service provision. It is increasingly difficult to know who owns what!

The new policy environment for education – national and global - poses new questions and new problems for teachers, activists and researchers. Practical problems, about access and about understanding, and concomitant ethical challenges!

There are various hybridities emerging from all of this, new kinds of mobile actors, hybrid organizations and compounded or conflicting values and interests. Furthermore, edu-businesses, if they are to grow and flourish, as is the case in other business sectors, feel the pressure toward vertical and horizontal integration, and thus acquisitions, consolidations and mergers.

*Innovative Schools* is a Charitable Trust, which is interested in running chains of Academies (website). It is headed by Valerie Bragg who is also joint Chief Executive of 3Es, which is an edu-business which grew out of Kingshurst CTC [City Technology College] and which now 'runs' a federation of 6 schools. According to the NCSL website, Faber Maunsell (a major professional and management services company) is the private sector partner of 3Es. However, more accurately Faber Maunsell owns 3Es which it bought in 2006. Faber Maunsell is in turn now a fully integrated subsidiary of AECOM, a US-based multi-national professional and management services company, whose most lucrative contracts are currently with the US Department of Defense, for security and reconstruction work in Iraq.

I want to suggest that these developments and changes in education policy, affecting the forms and modalities of educational provision and organisation, have out run the current purview of our research agenda and that we need to adapt and adjust what it is we consider as research and political problems in order to catch-up. We need to ask different questions and also to look in different places for answers to these questions. We may also need some new skills and sensibilities if we are going to address them sensibly. In particular we must begin to draw upon forms of business and financial analysis or to put it another way, we must 'follow the money'.

We may want to think about all of this in relation to Free schools – in particular given the Conservative Party's interest in borrowing from the Swedish Free School policy. John Bauer, the largest of the Free school companies in Sweden, which also has educational interests in Norway, Spain, India and China, and property development interests in Latin-America and Indo-China, was bought in 2009 by Axcel, Denmark's largest private equity fund, which has its other main investments in housing, fashion and pet food ([http://www.axcel.dk/content/us/media/2008/axcel\\_acquires\\_jbo\\_in\\_sweden](http://www.axcel.dk/content/us/media/2008/axcel_acquires_jbo_in_sweden)). In each of these cases education is one division of generic professional and management services organizations or one business among several in a private equity portfolio. 3Es and John Bauer also point up the potential for tensions between national policy interests and international company financial interests, and the processes of investment and disinvestment which may follow from business strategies or financial difficulties. These multi-nationals may also want to use their market power and leverage to influence national policy in their interest. Some nation states maybe losing some aspects of policy control over their education systems.

Where should our focus be? On the values and commitments of organisations and actors? Or on finances, accounts and ownership and control? Is profitability an incentive or a worry? What about the new relationships within policy processes between government departments and the new providers? Should we be considering the possibilities of business failure and the locus of risk? How do we understand accountability and democracy in the midst of all these changes? Is there a need for some kind of educational equivalent to the Financial Services Authority? Should new providers be subject to an ethical audit? Or should we forget about these 'worries' and concentrate on the analysis of institutional effectiveness?