Auctioning out education: On exogenous privatisation through public procurement

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Abstract
Privatisation of public education is becoming more and more common across the world. As much current research presupposes causal links between the degree of privatisation and issues of competition and student’s free choice, we see a need for research on other ways of organising the presence of private providers in public education. In this article, we study how two Swedish municipalities use public procurement to contract private providers and organise adult education. Interestingly, we find that competition is more heavily at play in the municipality that outsources half of its adult education, than in the municipality that outsources all adult education. We view these findings as vital for understanding how education is being outsourced to private providers and for furthering the discussion on the consequences of the ongoing privatisation of education.

Keywords
Exogenous privatisation, public procurement, policy enactment, organisational studies, adult education

Introduction
Education systems across the world have become shaped into quasi-markets. Private providers compete for and deliver education funded by public means, while ideas and techniques from the private sector are introduced into public education, thus changing both how education is provided and organised and how we view education. This privatisation in and of public education (Ball and Youdell, 2008) has a range of consequences for education systems, for teaching and learning and for those involved in education (see e.g. Fejes et al., 2016; Lundahl et al., 2013; Olmedo et al., 2013; Simons et al., 2013; Waslander et al., 2010). In this article, we turn our focus towards one
such aspect, namely the privatisation of education – sometimes referred to as \textit{exogenous privatisation} (Ball and Youdell, 2008) – as we explore how private providers are contracted through tendering-based procurement to provide publicly funded education. The fact that privatisation of education is common across Europe and the world does not mean that privatisation is enacted in the same way everywhere. Instead, the contracting of private providers takes several forms across different national settings. The set-up can range from private schools charging student fees (Ball and Youdell, 2008; Verger et al., 2017) to voucher systems, where public funding follows the student to the school they enrol in (see e.g. Lundahl, 2016; West and Ylönen, 2010); to systems that combine public funding with student fees (see e.g. Verger et al., 2016). Yet another way private providers are contracted in public education is through procurement, a closed auctioning system where providers compete for contracts based on certain criteria (price, quality, etc.). As privatisation of education is increasingly common throughout Europe, and as policy ideas travel between and across national contexts, case studies of education systems organised in various ways can further our understanding of how public education is being privatised and what consequences such processes of privatisation are having (see e.g. Hall et al., 2015). In this, the case of Swedish municipal adult education (MAE), with its somewhat unique system of outsourcing public education, provides an important example.

Research on the privatisation of education is often critical of how processes of exogenous privatisation, among other things, lessen the public’s influence over education. However, as we will show here, the extent to which private providers are present in education is not necessarily the same thing as the degree to which discretion over education is allocated with the private sector. In other words, private providers can be present in public education without having a lot of control or say in it, and vice versa, and influence public education without being directly involved. Our argument builds on empirical evidence derived from studying Swedish MAE, a case that, from a European vantage point, is unique. Sweden has among the highest share worldwide of involvement of the adult population in different sorts of educational activities (Desjardin and Rubenson, 2013) and MAE is one major institution enabling these high participation rates. MAE, a publicly funded education, gives citizens who lack complete degrees from compulsory or upper secondary education or risk who unemployment the right to participate in it for free. With roughly 4% of the adult population each year taking part, there are currently more students enrolled in MAE than in upper secondary education in Sweden (Fejes and Holmqvist, 2019). MAE also stand out in the Swedish education landscape by having the largest presence of private providers, with roughly 51% of all MAE students enrolled in courses run by private providers (SNAE, 2019). Their involvement is determined through tendering-based public procurement.

In this article, we look at how two municipalities enact state MAE outsourcing policies, that is, how they choose to organise the presence of private providers in their municipal adult education. While one municipality outsources all MAE to private providers, the other outsources only half of its MAE. Interestingly and somewhat contrary to our first intuition, we find that competition is more influential in the municipality that outsources only half of its MAE to private providers. We view these findings as vital in furthering the discussion on the role that organisation plays when public education is outsourced through procurement and the overall complexity of the trend towards privatisation of education.

We start this article with a brief overview of public procurement and the state policy governing MAE organisation. We then give a short explanation of policy enactment, our main theoretical toolbox, followed by an overview of the study. The final part of the article consists of a presentation of our two cases, a discussion of our findings and potential implications for future research.
**Procurement in public services**

Outsourcing public services and goods in Sweden – be it MAE, elderly care, public transport or construction – is governed by the Public Procurement Act (2016:1145), where a procurement, in essence, entails an auctioning out of the provision of services and goods. In short, the public institution specifies what it wants to procure, and private providers then submit bids based on this. The public institution evaluates these bids and decides whom to contract. In this, both the Public Procurement Act and European regulations require all bidding providers to be treated equally and fairly.

Research shows that tendering-based public procurement can be costly and time-consuming (Lundin, 2011; Mutiganda et al., 2017). Further, such systems require other skill sets than the management of in-house services, as procuring municipalities must know how to design the procurement process, specify requirements and check that contracts are followed (Bergman and Lundberg, 2013; Unruh and Hodgkin, 2004). This is no easy task, leading to variation in both how the procurement process for a given service is organised in different municipalities and how quality is defined or what quality criteria are listed in the contract notice (Forkby and Höjer, 2008; Pugh et al., 2006). One dilemma facing procuring institutions is having to weigh flexibility and control against each other. For example, there is a greater chance of receiving the service as asked for if the procurement’s contract notice is detailed and specific (Bröchner et al., 2016). However, this comes at the cost of flexibility, curriculum innovation and the possibility of making changes during the service provision, as there is little chance of altering contracts once they have been signed (Pugh et al., 2006; West and Currie, 2008). Further, as public officials can be less proficient than private providers in the skill sets that procurement requires, this can (unintentionally) lead to private providers having the upper hand in the process (Mutiganda et al., 2017).

Public procurement and other bidding-based forms of contracting not only affect the procuring public institution, but also have consequences for the entire sector. For example, if prices for MAE are pressed lower through the tendering process, this can alter the conditions and budget of public providers of education. This has been shown to be the case for welfare services both internationally (Whitford, 2007) and in Sweden (Lundin, 2011; Wiklund, 2011). However, to the best of our knowledge, there is currently no research focusing on procurement of education. Though some research discusses outsourcing through competitive tendering in education (Burch, 2009; West and Currie, 2008), this pertains to the procurement of other services, such as school meals, office material and cleaning services. Further, Pugh et al. (2006) touch upon competitive tendering in education as a potential means for contracting non-profit providers such as faith-based schools. However, the authors use economic analysis to explore, on a theoretical level, in what circumstances faith-based schools might prove to be effective private providers of public education, a focus rather different from ours. Thus, this article contributes to current education research by examining how state policy on outsourcing adult education is being ‘put into practice’ by two Swedish municipalities that use tendering-based public procurement. Before embarking on this endeavour, let us briefly pinpoint the legislative and political backdrop within which municipal adult education is conducted in Sweden.

**State policy on outsourcing MAE**

The MAE system in Sweden provides second-chance education aimed, first and foremost, at adults with little education, that is, social groups furthest away from labour market integration (Educational Act, SFS 2010:800, ch20 §2). However, MAE is also available to those wanting to change profession or to advance their current professional skills (Adult Education Regulation, SFS2011:1108). As such,
MAE is delivered on both compulsory and upper secondary school levels, and includes Swedish as second language education. State policy places the responsibility for MAE with the municipalities (Educational Act, SFS 2010:800), so each of the 290 Swedish municipalities is obliged to provide MAE to its citizens (ch20 §3). However, municipalities are free to decide for themselves whether to outsource MAE (ch23 §1), to what extent and how, as state policies do not specify exactly how contracting in MAE should be done. Therefore, different municipalities use different systems for outsourcing MAE and even municipalities using the same system differ in execution. For example, municipalities using tendering-based public procurement to contract private providers set their own contracting conditions and parameters for the procurement contract notice. Thus, the procurement of education here is done in various ways with potentially diverse consequences.

Policy enactment and discretion

Inspired by Braun, Maguire and Ball (2010), this article sets out to explore the enactment of MAE outsourcing policy at the municipal level. As state policy texts here are not prescriptive when it comes to organisation, Swedish municipalities have considerable autonomy when choosing how to provide this education. Since MAE outsourcing policy texts only set the general framework, they create leeway for policy actors to interpret and translate policy into practice, thus providing an interesting case of how policies are being enacted locally (Braun et al., 2010: 552). Of course, there are limits to this autonomy as municipalities do not operate in vacuums – they are part of a broader political, legislative and discursive context. While the state policy texts are relatively vague, this does not mean that there are no specific expectations attached to said policies.

We use the concepts enactment, interpretation and translation (Ball et al., 2012) to signal that policy work is something that is constantly and continuously being done by those present in the areas at which policy texts are aimed. Terms such as interpretation and translation acknowledge that enactment of policy is an active process, shaped by and shaping local contexts, enacted by teachers, local officials and other people within the various areas of the educational system, rather than painting them as subjects of policy and subjected to this policy. In other words, policy is seen as spanning multiple contexts and places. This includes texts, the interpretation of texts and the translation of ideas into local, contextualised practices (Braun et al., 2010: 549).

Within this perspective, texts can nudge, demand, condemn or discourage, but not force policy enactment. Applied to our case of Swedish MAE, state officials and politicians might have had specific ideas in mind when formulating these educational policies, but it is not these ideas that are necessarily shaping practice. Practice in various areas of the educational system is instead shaped by how those within the area interpret the ideas presented in policy. Of course, this is influenced by the frameworks and boundaries stated in the written policies as well as national and global discourses. But the interpretations and translations are being made by people within certain contexts, with certain previous experiences and knowledge, with physical and economic circumstances, and personal histories, preferences and motives (Ball et al., 2012). Those who interpret and translate policy into practice are viewed as key actors because they can choose how to enact policies; for example, prioritising some policies over others, ignoring or defying policies, or pushing the boundaries through the way they interpret and translate policies. Using tendering-based procurement to outsource MAE courses to private providers, for example, is a popular enactment of state policy. However, some municipalities have chosen to interpret the policy differently, translating it into another system of outsourcing (e.g. provider authorisation). Thus, no matter what the policy text’s ambition was, policies take various shapes depending on the local context and policy actors.

Besides the policy enactment framework, we have also drawn inspiration from a Weberian tradition where the issue of discretion is seen as a critical feature of any bureaucratic ascendency. By
zooming in on discretion, we capture the relative autonomy of municipalities to translate policy into practice from an additional vantage point. Discretion covers critical issues of the organisation of education, such as who gets to define the values and goals of the education provided, or who should be given the mandate to design how classes should be run. Discretion has previously been used as denominator when analysing public–private partnerships. Segaard and Saglie (2017), for example, trace discretion to determine and compare modes of government for elderly care and child education in Sweden, Denmark and Norway. The authors conclude that public–private partnerships are enacted in different ways, mainly based on where discretion over the provision of service is allocated. They propose that modes of government can range from discretion being fully handed over to the private providers – as is the case with seemingly free markets – to a public monopoly of discretion, where private involvement is limited to executing delegated tasks. Between these extremes, we find a continuum where discretion is shared between public buyer and private provider, which is case in point for our study of education privatisation through tendering-based procurement.

In the following, we will present how two different municipalities have enacted MAE outsourcing policy, how they organise their procurement and what consequences this has in terms of discretion and responsibility.

The study

Our analysis draws on data collected within a larger research project examining tendering-based procurement as a way of organising adult education and the implications of this type of organisation for teachers and their work. In this article, we draw on data collected in two municipalities that outsource MAE to private providers (both for-profit and non-profit) through tendering-based procurement. The two municipalities – Alltown and Blendedville – were chosen as they are comparable in several aspects: both are urban municipalities of comparable size; roughly 4% of the adult population are enrolled in MAE; and this education is run through a similar number of schools. However, they were also chosen as they procure different amounts of their MAE from private providers. Alltown has chosen to procure all of its adult education from private providers, while Blendedville outsources roughly half of its adult education and runs the rest of the courses ‘in-house’ through municipal schools. Thus, MAE outsourcing policy is enacted in the two municipalities in disparate ways that, hypothetically, could lead to interesting findings.

Our data consists of three types of sources: local policy documents, procurement documents and interviews with municipal officials. Such materials provide a basis for identifying how state policies are interpreted and translated locally. Municipal policies on MAE are important sources to engage with, as they not only set the local political ambitions, in terms of what MAE should contribute locally, but also how MAE is expected to be organised. We have thus collected policy texts containing local strategies that were valid at the time of the procurement. Such policy documents include local term programmes, the educational board’s goal documents, quality reports, investment and operations plans, general local procurement policies and other strategic documents that provide important information on the municipalities’ views on and goals for MAE. A second source of data was the procurement documents from the latest MAE procurement performed in the two municipalities. Both procurements were performed during the past five years and at the time of writing, MAE in both municipalities is run based on the outcomes of these procurements. These documents consist of a contract notice, describing conditions for the procurement and for the services being procured such as instructions on how to navigate the tendering process in order to not be disqualified; instructions on how the outcome of the tendering process would be decided (i.e. ‘how to win the procurement’); staff, material and other requirements regarding the services being
procured; and general municipal policies regarding procurement and bribes. In addition to local policy and procurement documents, we also draw on semi-structured interviews with four municipal officials who were directly involved in the procurements. These interviews provide additional information on the tendering processes and on issues that can be hard to gauge from the documents themselves. In order to adhere to ethical guidelines research-wise, we have chosen to keep the two municipalities anonymous.

In the following we explore how each municipality interprets, translates and enacts state MAE outsourcing policy by presenting the main features of how they organise MAE.

**Alltown – using private providers as if they were municipal schools**

Alltown’s enactment of MAE outsourcing policy translates into three main features of MAE organisation. First, this municipality has chosen to outsource all its MAE courses to private providers, as this is seen as a better solution for the municipality than running courses in-house.

> Because, it’s like this, we buy our way out. For example, we don’t guarantee any volumes to our providers. So, for example, when the political branch gave us less funding, then we’ve had to stop admissions and make a selection and refuse a lot of people [admission to MAE courses], which means that one year, the provider of [certain courses] might have had 700 students in the autumn. One year later, they might have had as few as 70. But it’s their responsibility, they have to deal with it. If [MAE] would have been run in-house we would have had a number of redundancies among teachers. But, the municipality doesn’t have to deal with that, that’s something the provider has to. (Municipal official, Alltown)

Outsourcing MAE to private providers allows the municipality to stay flexible and ready for change, as funding can vary from year to year, which in turn can affect staffing. By contracting private providers, the municipality can allocate responsibility for aspects such as dealing with redundancies to the providers, in order to stay within budget. However, even though Alltown relies heavily on private providers, the municipality has chosen to only contract one provider per course area. This means that, even though there are several schools in the municipality, citizens wanting to take a particular course have no options to choose from, but are referred to the one school providing it. This also means that though multiple providers are working in the municipality, they are presumed to not be in competition with each other, as they are contracted to offer different courses. In fact, once the procurement is over, all providers have to sign a mutual agreement promising to collaborate in the best interest of each student.

Second, Alltown chose fixed pricing in the procurement, meaning that tendering providers could not make their own price offers, but had to compete with each other during the procurement based on how well they could argue their case.

> Interviewer: But you didn’t want to allow free pricing [in this procurement]?
> Municipal official: No. [. . .] we did not want prices to be dumped. Because we want quality education, not as cheap as possible and we have [local politicians] with us on this. So that’s why we wanted fixed pricing. We’ve looked at other municipalities – what they pay – and we’ve looked at our earlier prices and then we settled on the price levels we announced [in this procurement]. (Municipal official, Alltown)

Low prices are here seen to be linked with lower quality. Interestingly, private providers are not trusted to make their own price offers, as this is presumed to lead to ‘price dumping’. Instead, having consulted with other municipalities and looking back at their own previous experience, Alltown
have chosen to set the prices themselves, thus maintaining discretion over the cost of MAE. This implies an interpretation of ‘good quality’ in education as related to a certain price, and of the municipality as best suited for deciding what that price might be. However, lowering costs still seem to be something that the municipality is interested in:

well, if we were to run it [MAE] in-house, as we used to a long time ago, instead of handling it through procurement. . . well, that was also one of the reasons for procuring, that it would become cheaper. (Municipal official, Alltown)

Even though the municipality does not want prices to be dumped, they choose to contract private providers partly because this provides a cheaper option to running MAE in-house.

Third, Alltown’s way of organising MAE is characterised by its close involvement in the provision of education. We see examples of this in the procurement’s contract, in the way that providers are contracted and in how conditions for the planned education are specified. The contract notice, for example, contains many detailed specifications on how education should be provided. Interestingly, specifications range from pedagogical aspects, to staffing, venue and scheduling requirements, and more. Examples include specifications on how many teacher-led hours students have to be offered per course each week; conditions for teacher employment; staff development offered; and guaranteeing substitute teachers when regular staff are absent. The contract notice also contains specifications regarding the employment of school leaders:

[The municipality], as principally responsible for the education, demands close contact and good cooperation with the provider. Contact should primarily be between the [municipally employed] principal and the provider’s head of school. The head of school shall, for this reason, be present on-site for the education 100% of the time, unless otherwise agreed. The head of school shall have discretion over operations. The head of school may not be titled principal. [The municipality] requests a head of school who is communicative, pedagogical and a good leader. [The municipality] shall approve the provider’s head of school before the start of contract and in the case of new recruitments during the contract period. [The municipality] requires transparency of the recruitment process for the head of school position. (Contract notice, Alltown)

School leaders employed by private providers are expected to be present on-site 100% of the time. By listing this as a requirement in the contract notice, the providers’ responsibility is made explicit. Interestingly, the fact that physical presence is listed while other factors are not, implies an underlying interpretation that school leaders who work for private providers are usually not present in school and that the physical presence of school leaders is important for the provision of MAE. The clarification that school leaders may not call themselves principals stresses that the discretion given to principals by state policies is allocated with the municipality, not the provider. The list of qualities that school leaders are requested to have, along with the municipality’s mandate to approve individuals for employment as school leaders are examples of the municipality’s work to maintain discretion over the provision of MAE, by being detailed and specific with what it wants to procure. The contract notice for Alltown’s procurement stands in stark contrast to state policy. Where state MAE outsourcing policy is vague and allows local policy actors leeway for interpretation and translation, Alltown has tried to be as specific as possible, thus limiting the space of interpretation available to providers. Another example where we can see the municipality’s desire to be actively involved in how MAE is run is the fact that individually tailored contracts are drafted for each provider, as opposed to using framework agreements (which is common in procurements):

In order to assess the provider’s ability to work with students in need of study assistance, the provider must describe what measures they will put in place for students to be able to meet their study goals in the
Providers are being held accountable for what they claim or promise during the tendering process – for example, regarding their work with students in need of study assistance – as their promises are included in their contracts. Again, this can be interpreted as an example of how the municipality works to maintain discretion. Since the municipality must choose whom to contract before the service is provided, this is one way of ensuring that the promises on which the municipality makes its choice will be delivered. Further, Alltown maintains a close relationship with the contracted providers after the procurement. For example, the contract notice specifies how the provision of MAE will be followed up by the municipality:

The provider shall recount, in writing and per month, the number of classroom hours fulfilled. [. . .] The provider shall present a skills development plan [for staff] before the start of each contracted year. This shall be presented to the municipally employed principal in charge of the education. (Contract notice, Alltown)

Previously, we mentioned that the municipality has chosen to specify how many teacher-led hours per week students should receive. This requirement is followed up monthly during the provision of service. Likewise, providers are not only required to offer staff development opportunities, but also have to present the municipality with a comprehensive plan for how this will be done, thus emphasising the provider’s responsibilities.

However, the contract notice also makes explicit what the municipality’s responsibilities are considered to be:

[The municipality] is head of education for the services included in this procurement. The head of education is responsible for all education and other services being conducted in accordance with laws, regulations, curriculum and other provisions. [The municipality] has no intentions to renounce any part of its responsibilities and discretion as head of education to the provider. (Contract notice, Alltown)

State policy mandated overarching responsibility for MAE is emphasised in this contract notice. The following was made explicit in the contract notice as the responsibility of the municipality: making sure MAE is provided (through procurement); course admissions and guidance counseling for presumptive students; and provider monitoring. Responsibility for staff development and advertising is shared by municipality and providers.

The picture emerging here is of a municipality that wants to maintain as much discretion as possible. Responsibility is shared between municipality and providers but is clearly divided, where each party’s responsibilities are made explicit. Private providers are held accountable and expected to take responsibility for their part; for example, when it comes to finding facilities and qualified staff.

[One of our providers] brought up an issue with facilities [for housing the education] and then I was able to just lean back and refer them to what we had stipulated in the contract notice. ‘You submitted a tender, we signed a contract, that’s what counts. I respect that you’re short on room, but solve it!’ [. . .] we follow up on the criteria to make sure that the providers really follow them. For example, when it comes to teacher/student ratios and teacher qualifications. Does a provider have qualified teachers? If they don’t, well then ‘Get it fixed – and fast!’ And if they don’t, well, then we have the documentation and we fine them. (Municipal official, Alltown)
The reasoning here is that private providers are responsible for the provision of service and for solving the problems that might arise with it, since they actively have chosen to take part in the procurement.

In summary, we have shown how Alltown, even though employing only private providers for MAE, has chosen to stay closely involved in how the education should be provided, maintaining high discretion over the education. To put it in the words of the municipal official we interviewed, ‘We have organisations that provide education, but we make sure that they deliver the education that we want.’ In short, Alltown enacts MAE outsourcing policy by using private providers as if they were municipally run schools. Blendedville, on the other hand, has chosen a different path.

**Blendedville – letting the market regulate itself**

This municipality’s enactment of state MAE outsourcing policy is characterised by the following three main features. First, Blendedville has chosen to run part of its MAE in-house, through municipal schools. Roughly half of all MAE courses here are run through municipal schools, while the other half are run by private providers. Both types of providers are seen as valuable by the municipality, though in different ways:

**Interviewer:**
What was the reasoning behind choosing to procure [MAE]?

**Municipal official:**
We’ve had this for a long time. Well actually that’s also a politically hot question, but the municipality itself doesn’t have the capacity for everyone. No, that’s just not possible in practice. And it’s also good to have your own adult education, in case someone [a provider] goes bankrupt or quits. That happens and then the municipality has to take on those students or distribute them out among the others [providers]. (Municipal official, Blendedville)

Private providers cannot be fully trusted, as they can go bankrupt or quit. However, they are also viewed as more flexible than municipal schools. One of the municipal officials points out that private providers are keener on being accommodating and are more flexible than traditional, municipally run schools usually are:

Well you see the procured [providers], they’re very keen to do the right thing and to be accommodating to the municipality so that they continue to have our trust. So they’re extremely flexible. Adaptable in an entirely different way than the municipal [schools]. That’s a difference. And they can adjust much faster if needed. There is a difference. (Municipal official, Blendedville)

Private providers are here seen as more flexible and accommodating than municipally run schools because every few years they have to compete and fight for their contracts. Interestingly, there is a clear divide in this municipality between municipal and private providers, from an organisational point of view. There are separate municipally employed principals in charge of municipally run and privately run schools, and municipal schools do not take part in the procurement, meaning that they do not have to compete with others to run courses. Which courses should be run in-house or put up for procurement is politically decided before the contract notice and the tendering process. Though local policy is silent on the matter, municipal schools can play a role in this decision:

One thing I remember us deciding, at the request of [one of our municipal schools], was regarding [some courses]. We looked at how many students we had and how many courses they took and so on and came
to the conclusion that we didn’t have the numbers to let several schools run these courses. We decided to keep them at [our municipal school]. So, those courses were not outsourced at that time. They had been previously, though. (Municipal official, Blendedville)

This is an example of a municipal school successfully lobbying for being the sole provider for certain courses. This, we argue, shows that municipal schools and privately run schools, though existing side by side during the provision of MAE, work on ‘different playing fields’. The organisational divide between municipal and private providers is also visible in funding, as municipally run MAE is financed separately, where funding is not directly affected by the procurement process.

Second, Blendedville has chosen to contract two or three private providers for each course area and has asked providers to make their own price offers. Therefore, the outcome of the procurement was based on a combination of how well providers argued for their competence and their price offers. Here the municipality has indicated a guiding price recommendation. Tendering providers making price offers that are lower than the municipality’s price recommendation are awarded points for this, while providers making higher priced offers are deducted points. In other words, though providers are free to suggest any price, they are incentivised to offer lower prices, as this can be crucial for winning the tender. Providers are also awarded points for how well they argue for their competence within certain areas, listed by the municipality; for example, staff experience, study assistance, pedagogical aspects and quality assurance.

Interestingly, where Alltown capitalised on provider’s arguments made during tendering by including these in each provider’s contract, Blendedville chose to use frame contracts. The municipal officials we spoke to stressed on several occasions the importance of treating all competing providers equally and fairly, which is why they chose to use frame contracts. Regardless of what providers promised during the procurement, the same terms applied for all providers once they were contracted, except for pricing. Since providers made their own price offers, the contracted providers were paid based on the price offer they had submitted. This both incentivised lowering the cost of education and led to prices varying between providers. This was particularly extreme in one example:

*Municipal official:* We actually thought that [the provider] had written the wrong price, because it was so very high. [. . .] But [another provider] is significantly lower, so to speak, in price for that service.

*Interviewer:* But they are paid different prices [for the same service]?

*Municipal official:* Yes, they are.

*Interviewer:* Because that’s . . . that’s more than double.

*Municipal official:* Absolutely. Yes. (Municipal official, Blendedville)

Because of the way that the procurement was set up, and because of the organisational choices made by the municipality, these two providers were bound by the same frame contract, expected to deliver the same courses under the same terms, but at different pricing. This, we argue, shows that the municipality interprets education as something that can be provided in different ways (and at different cost), because of entrepreneurial innovation and through ‘the power of the market’. Though this was not explicitly said in the interviews, this is a position held by the municipality in its general guidelines for procurement:

[The municipality’s] goal when procuring is a good deal, where the acquisition of goods, services, construction and other operations is based on a holistic approach where the municipality’s common
welfare and benefit are prioritised over the interests of individual departments. A good deal means that the municipality, within the framework of laws and regulations, [...] considers the possibilities to make use of new and innovative solutions that meet the departments’ needs and makes use of, as well as nurtures, competition on the current procurement market. (Municipal procurement policy, Blendedville)

Innovation is here interpreted as related to competition and something that the private sector is capable of. Though MAE providers are nowhere explicitly asked to be innovative or cost effective, the fact that pricing is left up to the providers can arguably be seen as evidence for this. Providers who are cost effective are rewarded points and have a chance to gain an edge when tendering in the procurement. Allowing providers to also offer prices higher than the municipality’s recommendation shows that the municipality does not see itself as the best judge for what MAE should cost. Together with the views presented in the previous quote we can gather that the municipality sees it as possible that a provider might be able to offer MAE in a way that, even though it might be more expensive, could be superior to other ways of providing MAE. In other words, discretion is allocated with the providers when it comes to how MAE is provided and at what cost.

Third, Blendedville lets students themselves choose which school they want to enrol at:

Contracts [...] are awarded through the individual student’s own choices. If the individual student does not make an active choice, [the municipality] will award the contract based on the established ranking, i.e. the provider with the highest ranked tender will be the first to be awarded the contract, the second highest ranked provider will be next and so on. (Contract notice, Blendedville)

By having several providers for each MAE course, and allowing students to have their pick among these, the municipality creates choice for students. As different providers are expected to be good at different things it becomes, according to the municipality officials, more likely that each student can find something that works for them:

There has to be a diversity of actors. The guidance counsellors are usually very good at reading where each student fits best, if it’s in a small school or a bigger one and so on. (Municipal official, Blendedville)

Even though using private providers and outsourcing is seen as a way of creating choice and variety for students, there is an implicit assumption that only the municipality is competent enough to make certain decisions and choices. For example, looking at the previous excerpt, municipal guidance counsellors are construed as best suited to guiding students (not the students themselves, nor the contracted private providers). This becomes even more evident for SFI (Swedish language courses for immigrants), where students do not get to choose:

Interview: 
But for SFI, it’s still you [the municipality] that decides where the students go, right? They can’t make that choice themselves.

Municipal official: Right. No, no. And that’s because... then the queues could get even longer. Because it’s important to find the right level, because in SFI there are so very many different levels. Then, of course, there are some [students] who want to switch schools, but they have to have a good reason for doing it.

Interview: Can they do that? Are they allowed to switch? 

Municipal official: Well that’s the principal’s decision. There is a form for it and the principal has to... we’ve made it a little harder to switch. So that moving schools doesn’t happen on a whim, just because you think that things there are better. (Municipal official, Blendedville)
SFI as a course area is seen as complex, consisting of many different study tracks and students thus need to be helped and be placed ‘in the right group’. Interestingly, SFI was also the only course area where the procurement contract notice specified maximum group sizes and a minimum amount of teacher-led hours per week. Here, at least, it seems neither responsibility for, nor discretion over choice is allocated to the student.

In summary, Blendedville is enacting MAE outsourcing policy by creating a market that is expected to regulate itself through competition between providers and by allowing students to choose freely between schools. However, outsourcing courses to private providers is not the only way to provide adult education, as the municipality also maintains in-house courses. Though municipally run schools are part of the available choices for students, these schools do not have to compete to be contracted and seem to enjoy some privileges that private providers do not. In Blendedville, discretion and responsibility lie more in the hands of the private providers (and partly the students) than they do in Alltown. We will now proceed by discussing these findings in relation to educational and organisational research where procurement and policy enactment play a part.

**Discussion**

In public debates and contemporary educational research high levels of outsourcing of education to private providers have been considered a major societal problem (see e.g. Ball and Youdell, 2008; Burch, 2009; Lundahl, 2016; Olmedo et al., 2013). Based on Alltown and Blendedville, the two examples we have outlined earlier, it is evident that the critique against outsourcing policies can benefit from examining the degree of discretion maintained by local authorities. We have shown how a substantial presence of private providers in the realm of public education does not necessarily mean that discretion is allocated with the private sector. Despite outsourcing all MAE, Alltown has chosen to closely and in regulatory detail govern its adult education landscape. Alltown’s governance strategy involves avoiding competition between providers during course provision, setting fixed prices and being specific on details of how education should be run. Blendedville, on the other hand, while only outsourcing half of its adult education, has purposefully used procurement as a tool to create competition, giving the students the power and responsibility to ‘vote with their feet’. Blendedville’s use of private providers, though more moderate than Alltown’s, created a setting that resembles the free choice system of many other Western countries, that is, an educational market where ‘the invisible hand’ of supply and demand is expected to help the schools regulate themselves.

Our findings suggest that to understand how privatisation of education operates in specific situations, we need to turn our attention to the intermediary function of the policy apparatus; in this case, those who enact policy into practice on a municipal level. Previous research from an array of different research fields has similarly shown that actors positioned between the policy-issuing macro level and the micro level that policy is aimed at playing an important role in interpreting and translating policy, and that the values and beliefs held by such actors are central in these enactments of policy (see e.g. Bessy and Chauvin, 2013; Spillane, 2004; West and Ylönen, 2010). In the case of Swedish MAE, presumptive providers and students are ultimately reliant on the choices made by each municipality. Organising and providing adult education is their responsibility, and it is therefore up to each municipality to decide how to go about it, albeit within the framework of state policy.

As we have seen, Alltown’s choice to only contract one provider per course area means that providers here, once they have won the contract, were not exposed to competition and did not have to hunt for students, as was the case in Blendedville. As previously pointed out by Segaard and Saglie (2017: 95) these meso-level actors ‘play a decisive role in shaping the welfare mix’ when
state policy creates room for each municipality to enact its own model of government. In other words, the way MAE outsourcing policy is locally interpreted and translated leads to differences in where responsibility and discretion are allocated. Alltown, for example, had previously experienced problems in the procurement process, where their choice of providers was heavily contested, resulting in great delays in the provision process. This, among other things, influenced the municipality to change the way it engaged with private providers during procurements. Likewise, Blendedville chose to contract several providers for each course area, because this has previously worked well for them. Further, these interpretations and translations are influenced by the way education in Sweden is funded. Though public education is funded through tax revenues, there is no specific budget post for education. Instead, it is up to each municipality to decide how much of its budget it will spend on education in general and MAE in particular. This means, among other things, that decisions on the organisation and financing of MAE are intertwined with decisions and priorities made regarding other municipal commitments such as child education and care services. One reason for contracting private providers is the desire to lower costs, as this can free up funds for other services. Though it lies outside the scope of this study to investigate the local context that has influenced the municipalities in their policy enactment, it is important to acknowledge their significance in shaping it. Such enactments do not happen in a vacuum, rather they are influenced by global discourses, local belief-systems and values (Spillane, 2004), social and institutional settings (Verger et al., 2016), as well as historical and political contexts.

As we have shown, and as previously argued for by Simons et al. (2013: 418), it is important not to get so preoccupied with how heavily involved private providers are in public education and thus miss out on the crucial issue of how this presence is being monitored, regulated and organised. The findings offered in this article showcase that a high presence of private providers in public education does not automatically mean that responsibility and discretion are allocated with the private sector. Public institutions can maintain governance over the education provided even when all education is run through private providers. At first glance, Alltown’s choice to outsource all its MAE suggests a laissez-faire approach to privatisation. However, a closer look at the two municipalities’ policy enactment shows that the mode of government is not directly connected to the ‘market share’ awarded to private providers, but rather is a result of how policy is translated into practice, that is how the presence of private providers in public education is organised and where discretion and responsibility are predominantly allocated. Our case study suggests that, since public procurement regulation is rather vague, there is often room for local governing institutions to interpret and translate these policies in various ways. Based on this study we want to make a case for the privatisation of education as a complex phenomenon, where it is equally important to consider how the presence of private providers in public education is organised.

With all this being said, we want to acknowledge that exogenous privatisation, meaning the presence of private providers in the public sector, is not necessarily needed in order for education to be shaped into a quasi-market. As many researchers have shown, there are processes of endogenous privation parallel to exogenous privatisation, where language, logics and techniques from the private sector are introduced into the public sector (Ball and Youdell, 2008). One such introduction is the idea of competition, where schools should compete for students (Lauri and Põder, 2013; Lundahl et al., 2013). Such competition could be attained without virtually any private providers; for example, a system with only public schools but where students are free to choose any school they wish. This article has called for research on privatisation in and of education to also explore the meso-level of education systems where policies are enacted, as our findings suggest that these actors shape the organisation of private provisions in public education.

By choosing to focus on how the presence of private providers in public education is organised in the case of Swedish MAE, we have limited our attention to only one national case and processes
of exogenous privatisation. As such, our findings serve only as an example of such processes, albeit an important one considering that market-oriented policy ideas have been known to travel across national contexts within Europe (Ottesen et al., 2013; Rönnberg, 2015). Furthermore, focusing on contract notices, policy documents and interviews with municipal officials in charge of MAE has allowed us to unpack how the municipalities want to organise the involvement of private providers. However, these data sources and the overarching design of the study have not allowed us to explore whether or not the actual provision of education follows the intentions formulated by the state and the municipality.

Conclusion

As much of the contemporary research on public education privatisation has been conducted around institutions where school competition and student’s free choice have been key ingredients (see e.g. Lauri and Põder, 2013; Lundahl et al., 2013; Verger et al., 2016), we see a need to conduct empirical research on the presence of private providers in public education that depart from this particular organisational set-up. Swedish MAE, which engages 4% of the adult population each year, is built around a system where state policy puts the responsibility and right of organising education in the hands of local actors. By contracting private providers through procurement, each municipality can enact state policy in their own way, for instance by orchestrating an organisational structure where private providers are present, but competition and student’s free choice are not cornerstones.

Continuing to research institutional arrangements where the privatisation of public education takes place through procurement can expand our understanding and the potential implications of how contemporary educational offers are organised. Given that discretion over education can vary greatly within the same system, it could be of particular interest to extend the analysis of the MAE case example; for example, by exploring how educational organisation enactments go on to influence teachers and teachers’ work. Further, as contracts resulting from procurement tend to be short – often lasting only three to four years – it is worth unpacking if and how such arrangements could influence teachers’ work stability and access to professional development, as well as how teachers view their work, education and students.

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