Islamic Schooling

Elitism, Entry Barriers & Educational Inequalities

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Australian Islamic Schools Conference
Melbourne 13-14 July 019
David Gonski’s 2011 Report stated differences in educational outcomes should not be the result of differences in:

- wealth
- income
- power or
- possessions

Why can’t I go to that school Dad?
It’s all about money, son!!
Elitism & Gonski

• “...how advantage for some through the choice of elite private schooling contributes to the relative disadvantage of others” (Doherty & Pozzi, 2017)

• Logic of elitism rests on:
  – Social selectivity – by dint of high fees
  – Academic selectivity – by dint of academic excellence (Windle, 2015)

• Focuses on:
  – Sustaining ‘elitist’ status
  – Curating reputation
  – Protecting school ‘brand’ (Prosser, 2016)

• Private schooling is a “market” (OECD Education WP No. 52, 2010)
• Whereas public education centred around ‘inclusivity’ and ‘equity’
Elitism

• “...those who have vastly disproportionate control over or access to a resource” (Kahn, 2012, p. 362)

• Those with “…the possession of resources allowing for the hoarding and monopolization of desired positions, opportunities and honours” (van Zanten, 2015, p. 4)

• Connell (2013) construes it as a form of ‘exclusive education’ likening it to “what you sell, then, is a privilege – something that other people cannot get” (p. 105)

• Doherty & Pozzi (2017) observe:
  “...Australia’s independent private schools have historically been enclaves of relative advantage filtered by the capacity to pay fees” (p. 2)
Elitism

• Windle (2014) argues in an Australian context:
  – the distinction between public and private schooling is getting blurred with the contending parties jockeying for a say in “policy discourse” and “market incentives”
• Windle (2015) distinguishes in culturally diverse Melbourne schools:
  – ‘socially restrictive’ (high fee private schools)
  – ‘socially exposed’ (selective public schools serving the academic elite)
• Note references to ‘market’ and ‘fees’
• One way of ‘excluding’ a certain market is through ‘pricing’...
• A market mechanism known as ‘barriers to entry’
‘Barriers’ in the schooling Market

(a) Best understood in terms of economic theory and applied economics

(b) Concerned with lessening competition in the market via pricing & other mechanisms:
   - Legally outlawed but exists through market structures
   - Schools vie with each other for market share – discriminant pricing
   - Established players (longest in market) main culprits
   - Aim: lessen or drive out competitors through combative behaviour e.g.
   - Market mechanisms: pricing; branding; ad-spend; innovation; capex

(c) Market Behaviour
   - Each school anticipates how rival will behave i.e. predict the reaction of rivals
   - Develop Strategies
   - Pattern actions using game theory; chess; bridge;
   - Use bluff (at times), unconscionable behaviour to distract or blindside rivals
   - If unable to achieve objective, schools resort to ‘collusion’
‘Barriers’ in the Schooling Market

(c) Legal & Operational impediments

- State & Federal government – policy changes; budget constraints
- Not easy to set up new schools – community resistance; rezoning challenges
- Distant schools – weak recognition
- Growth via take-over or buying established school

(d) Branding through Ad-spend – elite schools

- Impact advertising in print and social media
- Aim: create awareness; reputation; brand Loyalty
- Direct relationship: > ad-spend > exposure > recognition

(e) Fee structuring

- Older/elitist/reputable schools able to set higher tuition fees
- Behave as ‘price setter’
- Smaller and less well-known schools ‘price followers’
- Dominant schools adjust fees that affect revenue/costs of rivals
Islamic Schooling

- **Small number of schools: so limited competition**
  - Influence of ‘controlling’ entities
  - Older schools – longevity and spatial advantage

- “**Product (Service) Differentiation**”
  - Each school tries to be ‘different’ although offering the same ‘product’
  - Differentiation premised on:
    - Physical differences:
      - Classrooms; buildings; libraries; labs; IT facilities; location; logistics
      - Sports facilities; recreation halls; mosques etc
    - Qualitative differences
      - Past history
      - Teacher/student ratios; Teacher qualifications;
      - Completion rates; ATAR results
      - Range of Subjects and Activities
Measuring elitism in Islamic Schooling

How well do these schools convert Resources into Student Learning? (Hanushek, 2015)

- Model: Input | Output approach

Panel A

- Input determinants
  - Organisation
  - Funding
  - Teacher quality
  - Resources
  - Population growth

- Outputs: student achievements
  - Performance
  - Years of schooling completed
  - Early career earnings

Panel B

- Measurement instruments
  - Years in existence
  - Student fees; State & Fed funding
  - Academic qualifications & achievements
  - Building & infrastructure investment
  - ABS Data time series

- Outputs: student achievements
  - ATAR; NAPLAN & other test scores
  - School data
  - LSAY longitudinal data
### Probability Scenarios – Effect on School fees

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Variable Markers of Status</th>
<th>Measurement values</th>
<th>If</th>
<th>Then</th>
<th>Prob</th>
<th>Impact</th>
<th>EFFECTS &amp; EQUITY CONSIDERATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Prestige/Tradition</td>
<td>Years in existence</td>
<td>Increase</td>
<td>Increase</td>
<td>High</td>
<td>Negative</td>
<td>Affordability issues. Exclude socially disadvantaged</td>
</tr>
<tr>
<td>H2</td>
<td>Operations</td>
<td>Costs</td>
<td>Increase</td>
<td>Increase</td>
<td>High</td>
<td>Negative</td>
<td>User pays, so Costs passed on. Exclude disadvantaged</td>
</tr>
<tr>
<td>H3</td>
<td>Results: High ATAR's</td>
<td>Scores/Rankings</td>
<td>Increase</td>
<td>Increase</td>
<td>High</td>
<td>Positive</td>
<td>Sidelining character-building &amp; social justice. High Teacher resignations</td>
</tr>
<tr>
<td>H4</td>
<td>Location</td>
<td>Good Proximity Logistics</td>
<td>Better</td>
<td>Increase</td>
<td>High</td>
<td>Positive</td>
<td>Status and branding.</td>
</tr>
<tr>
<td>H5</td>
<td>Facilities/Conveniences</td>
<td>CAPEX</td>
<td>Increase</td>
<td>Increase</td>
<td>High</td>
<td>Future returns</td>
<td>Fancy buildings and facilities. Poorer schools unable to compete</td>
</tr>
<tr>
<td>H6</td>
<td>Extra curricular activities</td>
<td>Costs</td>
<td>Increase</td>
<td>Increase</td>
<td>High</td>
<td>Immediate returns</td>
<td>Value adding. Out of reach of poorer students</td>
</tr>
<tr>
<td>H7</td>
<td>Human Capital development</td>
<td>Annual costs</td>
<td>Decrease</td>
<td>Exit</td>
<td>High</td>
<td>Aspiration</td>
<td>Parents: want maximum benefit. Students: Must meet aspirations</td>
</tr>
<tr>
<td>Alumni</td>
<td></td>
<td>Number &amp; status</td>
<td></td>
<td></td>
<td>High</td>
<td>Prestige</td>
<td>Vie for positions. Snobbish culture</td>
</tr>
<tr>
<td>Merchandise</td>
<td></td>
<td>Revenue</td>
<td></td>
<td></td>
<td>High</td>
<td>Profits</td>
<td>Brand marketing. To elicit recognition and cut out competitors</td>
</tr>
<tr>
<td>Completion &amp; Uni placements</td>
<td></td>
<td>Past history</td>
<td></td>
<td></td>
<td></td>
<td>Influence</td>
<td>Disproportionate university placements. Cronyism. True cost of elitism = entrenched social inequality</td>
</tr>
</tbody>
</table>
Model for testing

Equation suggested in (Hair, Black, Babin, Anderson, & Tatham, 2016)

\[ Y_1 = f( \sum X_i ) \]  \quad \text{Eq (1)}

Where:

- \( Y_1 \) = OUTPUT determinants
- \( X \) = INPUT determinants
- \( X_1 \) = Quantitative drivers
- \( X_2 \) = Qualitative drivers
- \( X_n \) = latent (unobserved) constructs

- Eq 1 expresses a multivariate model
- Eq Postulates: Output series \( Y_1 \) are a function of observed variables \( X_1 \ldots X_n \) (Panel A)
- Relationships between \( X_1 \) and \( X_2 \) and \( X_n \) (Panel B)
- Relations between TWO mutually exclusive behavioural constructs
- We use PLS Partial Least Squares to determine correlations
# State of Play – Australian Islamic Schools

## Tables

<table>
<thead>
<tr>
<th>State</th>
<th>Schools</th>
<th>Controlling Entities (Groups controlling a number of schools)</th>
<th>Years in Existence</th>
<th>IB</th>
<th>Market Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of Control entities</td>
<td>No. of schools under Control</td>
<td>% Schools under Control</td>
<td>&gt; 30</td>
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<tr>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NSW</td>
<td>27</td>
<td>6</td>
<td>15</td>
<td>55.5%</td>
<td>4</td>
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<tr>
<td>VIC</td>
<td>24</td>
<td>5</td>
<td>17</td>
<td>70.8%</td>
<td>2</td>
</tr>
<tr>
<td>SA</td>
<td>7</td>
<td>2</td>
<td>4</td>
<td>57.1%</td>
<td>0</td>
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<tr>
<td>WA</td>
<td>6</td>
<td>1</td>
<td>3</td>
<td>50.0%</td>
<td>1</td>
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<tr>
<td>QLD</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>75.0%</td>
<td>0</td>
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<tr>
<td>ACT</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>100.0%</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>15</td>
<td>42</td>
<td>60.0%</td>
<td>7</td>
</tr>
</tbody>
</table>

% Age/Total school population

|                     | 10.0% | 31.4% | 22.9% | 20.0% | 15.7% | 5.7% |

Mean years in existence

|                     | 33.8   | 22.9  | 14.6  | 6.8   | 3.2   |
Finding

• No overt evidence of elitism
• However, International Baccalaureate (IB) falls in the ‘exclusive’ class
• Program fee range: $8800 (Y11) - $9600 (Y12) plus.....
• Application fees; bus fees; resource/building levy; textbook fee; sports fees; locker fees
• Whereas fee range for non-IB = Y11/12: $1450 (average) to $5700 (prestigious)
• IB Stats Victoris:
  – 2% of IB students receive perfect ATAR 99.95: only 0.08% VCE students do
  – IB students max mark 45 = 99.95 ATAR; VCE mark 50
  – Claim high achievers get unfair advantage (The Age 30/5/2019)
  – Victoria University Quentin Maire found: almost 1/3 of IB students attracted to the program because of the “perceived superiority” of its scoring system. (The Age, 30/5/19)
## Game Theory – Price setting by schools

<table>
<thead>
<tr>
<th>School A</th>
<th></th>
<th>School B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>High</td>
<td>1, 1</td>
<td>6, -2</td>
</tr>
<tr>
<td>Low</td>
<td>-2, 6</td>
<td>3, 3</td>
</tr>
</tbody>
</table>

### Dominant strategy:
Regardless of what the other does, you choose the same strategy.

### Range of Options:
- School B: read down
- School A: read across

Best option for both
References


THANK YOU