

# Islamic Schooling

## Elitism, Entry Barriers & Educational Inequalities

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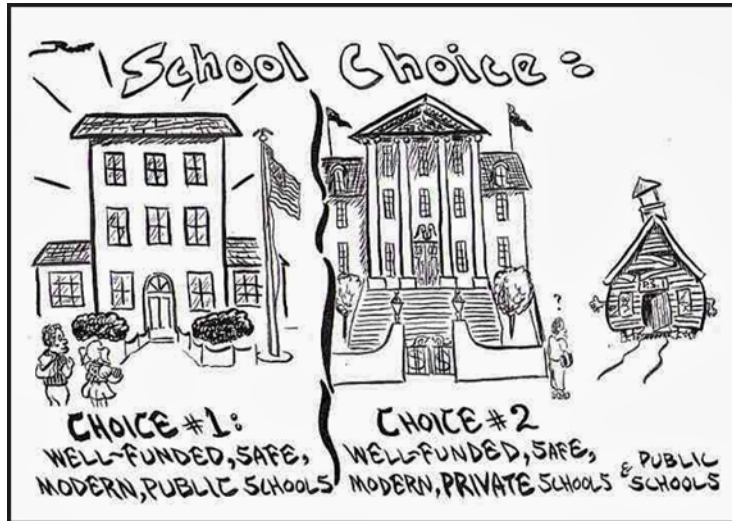


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David Gonski's 2011 Report stated differences in educational outcomes should not be the result of differences in:

- wealth
- income
- power or
- possessions



*"This is my last day. My parents found a more expensive school on the East Side."*

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

ATAR; NAPLAN & other test scores

School data

LSAY longitudinal data

# Probability Scenarios – Effect on School fees

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

# Model for testing

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

$$Y_1 = f(X_1 + X_2 + X_3 + \dots + X_n) \quad \text{Eq (1)}$$

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  $X_1 \dots X_n$  (Panel A)
- Relationships between  $X_1$ ,  $X_2$  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

State	Schools	Controlling Entities (Groups controlling a number of schools)			Years in Existence					IB	Market Structure
		Number of Control entities	No. of schools under Control	% Schools under Control	> 30	20   30	10   20	10   5	< 5		
NSW	<b>27</b>	6	15	55.5%	4	10	5	7	1	3	Monopolistic competition
VIC	<b>24</b>	5	17	70.8%	2	9	5	5	3	1	Monopolistic competition
SA	<b>7</b>	2	4	57.1%	0	0	1	1	5		Duopoly
WA	<b>6</b>	1	3	50.0%	1	2	2	0	1		Monopoly
QLD	<b>4</b>	1	3	75.0%	0	1	2	1	0		Monopoly
ACT	<b>2</b>				0		1		1		Oligopoly
<b>Total</b>	<b>70</b>	<b>15</b>	<b>42</b>	<b>60.0%</b>	<b>7</b>	<b>22</b>	<b>16</b>	<b>14</b>	<b>11</b>	<b>4</b>	
% 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 = Y 11/12: \$1 450 (average) to \$ 5 700 (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

		School B	
		High	Low
School A	High	1, 1	6, -2
	Low	-2, 6	3, 3

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

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THANK YOU

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