Privatization of education in the Islamic Republic of Iran: One step forward, one step back

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Abstract: During the last three decades in Iran, the government has had different policies on the privatization of education. After victory of the Islamic Revolution in 1979, the new government closed all private schools for nearly a decade. Establishing and reopening Non-Governmental Schools (NGS) was the first action toward the privatization of education after the end of the war with Iraq in 1988. In recent years, there has been an increasing trend among owners of NGS toward closing their schools. This paper investigates factors influencing the closure of NGS through in-depth interviews with three groups: owners of active NGS, officers in the NGS Office, and owners of non-active NGS. The paper starts with an introduction, which is followed by the methodology of the research. The third section presents the findings of interviews. More specifically, this paper analyzes Iran’s different strategies concerning the privatization of education based on Klein’s Model. The paper ends with the conclusions.

Subjects: Education Policy; Education Politics; Education Studies

Keywords: educational system; non-governmental school; privatization; state; Iran

1. Introduction
The history of the privatization of education after the Revolution in the late 1970s might be divided into three ten-year periods. In the first decade (1979–1989), affected by the country’s revolutionary atmosphere, the few private schools inherited from the previous regime were closed, and their...
pupils were transferred to governmental schools (Bageri & Najafi, 2008). Revolutionists believed that Non-Governmental Schools (NGS) only served rich people, and increased inequality in education and society. Private educational institutions remained closed for nearly 10 years (Mesri, 2008). History shows that continuation of this policy is not always possible.

The Iran–Iraq war (1980–1988) had a great influence on privatization of education. War became the most important obstacle to the allocation of financial resources by the Ministry of Education, so that at the end of the war, student capitation decreased very much at a fixed rate (Jafari, 2010). The decline of oil revenues, an increase in the population rate, urbanization, and the high social demand for education were other factors influencing re-emergence of private education (Ansari, 2005). In practice, all these factors provided the required political and educational grounds for making and approving the formation of the “NGSs’ Bill” and permitting private sector investment in education at the end of this decade.

After the abovementioned law was approved in 1988, the second decade started (1989–1999). The State was aimed to apply privatization policy in all economic sectors including education. Because of this policy, NGS enjoyed government support. This support included administrative (organizational support), financial/material (low-interest loans and assignment of land), and work force (dispatching teachers) aspects. The practical consequence of this policy was establishment of 6,000 NGS constituting 5% (900,000 students) of the total student population (Falahi, 2009; Tahmasabi, 2004). By the beginning of the third decade (1999–2009), the number of schools increased from 6,192 to 13,000 in the academic year 2009–2010. In 2010, the proportion of NGS had reached about 11% of all the country’s schools with 1,100,000 students (NGSO, 2010). While the Ministry of Education has not been collecting accurate statistics about the economic effects of NGS, existing data show the economical benefit of NGS to Iran’s government as follows:

- 13,893 schools,
- Employing about 105,000 as NGS staff,
- 7,325,227,000 Iranian Toman (US$ 209 Million) (NGSO, 2010).

In recent years, NGS authorities have witnessed a new phenomenon entitled “suspension of NGS.” For first time, the report of the NGS Office (2009) in the Ministry of Education revealed that owners’ requests for “suspension of school activity” was an increasing trend in all provinces compared to previous years. In 2008 and 2010, in the whole country—and at all school levels—700 and 457 NGS, respectively, suspended their activities (NGSO, 2010). Mesri (2008) found that of the total NGS in Tehran, 2,000 schools had vacancies, and more than 90% faced financial problems. Azizi (2012) reported that in summer, and before the opening of schools for the academic year 2012–2013, 60 NGS suspended their activities in Tehran. The reformist newspaper, Etemad announced that many NGS had declared their bankruptcy a long time before. According to this newspaper, an expert in the NGS office in Tehran city had stated that every day at least one founder sent a request to close her/his school, and more than 700 NGS owners had announced their bankruptcy (Babaei, 2013). In the latest news, the People Participation and NGS Deputy of Education minister has stated that during the last 5 years, the number of children registered in NGS has dropped from 11% in 2010 to 8.5% this year (Kurd, 2014).

Given this situation, the Ministry of Education aimed to investigate the factors influencing the increase in the suspension of NGS. This article is part of the research prepared by the authors for the Ministry of Education in 2012. In this research, the main goal was to determine the most important factors affecting the suspension of NGS. Therefore, we chose to interview three groups: the NGS founders who had been closing their schools; the owners of active NGS; and officers in the NGS office of the Ministry of Education.