Neoliberal stratification: The confounding effect of the school poverty quintile ranking system in South Africa

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The South African school education landscape is distinctly uneven as it relates to school financing. The state’s attempt at differentiated funding via the quintile system is vaunted as an initiative to address the needs of poor schools. It parades as a commitment to a redress agenda. Since implementation, the socioeconomic demography has changed significantly for many schools. Some have experienced an exodus of fee-paying learners and an increase in poor learners residing in newly established informal settlements. There is limited understanding of the extent of the financial crises that these schools face. In this article we examine the financial management struggles of schools from low socioeconomic contexts. Eight schools in the Greater Durban area were purposively sampled and a series of in-depth interviews were conducted with school principals. The study revealed that principals were involved in constant struggles to manage their schools in the context of dire financial constraints. The advent of outsourcing of procurement is a distinct neoliberal move that relegates previously state functions to the ambit of the market. Profit-driven procurement agents systematically drain the public purse as they wilfully render services and supplies incommensurate with the charges they levy.

Keywords: neoliberalism; procurement practices; quintile system; school financial management

Introduction
The phenomenon of schools having to take responsibility for their financial sustainability has become the norm in many countries. This is typical of a neoliberal agenda which favours privatisation over welfare state provisioning of public services like education (Ball, 2005; Fanelli & Evans, 2015; Harvey, 2007). While schools located in affluent communities have remained largely unaffected due to their ability to effectively manipulate privatisation levers, poor schools serving poor communities have struggled to come to terms with this recent development in the South African context. The presence of wealthy schools and desperately poor schools within the same urban location is a well-documented feature of South African schooling (Spaull, 2013). Although there are greater possibilities to exercise school choice in the post-apartheid environment, the more economically able have greater latitude to exercise this choice, while the poor (mainly Black-African) learners remain in poor schools with poor infrastructure. Many former Model C schools still remain advantaged and supported mainly by wealthy communities which comprise the middle class, including Black-African, Indian and Coloured learners. School fee payment is a burden on the budget of many families. The fee structure in many ex-Model C schools often functions to exclude poor learners even though they reside within geographical proximity to such schools (Bell & McKay, 2011; Bond, 2004; Lam, Ardington & Leibrandt, 2011).

Geographic zones inherited from the apartheid past, although no longer enforced by laws such as the Group Areas Act and the Separate Amenities Act, still play a role in determining the geographic location of schools in South Africa (Kallaway, 2002; Seekings, 2008). Apartheid geographies are still very much part of the education landscape with enduring divisions – former Model C schools in middle-class suburbs and poor Black-African schools in African townships and rural areas (Bond, 2004; Hunter, 2017; Pieterse, 2009; Soudien, 2004). South Africa is, therefore, regarded as having a dualistic education system comprising poor mainly Black-African schools and advantaged former White schools (Spaull, 2013). Despite the political transition from apartheid to democracy in South Africa in 1994, race has remained the sharpest distinguishing factor between advantaged and disadvantaged groups.

Even though South Africa is characterised by huge discrepancies in school and community wealth, legislation governing schools dictates that schools from both wealthy and poor socio-economic contexts must be governed and managed in similar ways. The South African Schools Act 84 of 1996 (SASA) (Republic of South Africa, 1996) has made provision for two types of schools in South Africa, viz. independent (private) schools, which are responsible for their complete funding and financial management, and state (public) schools which receive varying degrees of state funding based on a poverty scale called the Quintile Ranking (Mestry & Bischoff, 2009). SASA has also transferred the management of all state or public schools to communities through the establishment of School Governing Bodies (SGBs). A crucial part of school management is financial management. Although the SGB is ultimately responsible and accountable for the management of school finances, the principal, in his/her role as accounting officer and a permanent member of the SGB by virtue of Amendment 16A of SASA, is central to administering the process of budgeting for costs and managing the budget (Mestry, 2006, 2013).
SGBs of state schools (both wealthy and poor) are required to draw up annual budgets for the functioning of the schools. State funding disbursed to the various schools through the National Norms and Standards for School Funding (NNSSSF) is supposed to assist these boards in doing their work. School funding of all state schools is derived by applying a poverty index called the Quintile Ranking System. Schools receive a grading or ranking between 1 and 5, with the schools in the lowest quintiles receiving the greater government subsidy per child. Quintiles 1 to 3 schools are classified as no-fee schools and are by law not permitted to charge school fees. Quintiles 4 and 5 schools, however, have the freedom to determine fees and to undertake initiatives to raise own financial resources in order to maintain quality and standards of educational provisioning (Mestry, 2014; Mestry & Ndhlovu, 2014). These additional resources are raised primarily by the charging of school fees, engaging in fund raising and sourcing of donations or sponsorships (Sayed & Ahmed, 2011). While the quintile model for resource allocation was hailed as a noble attempt by the state to protect poor families from the burden of school fee payments, it has consolidated the notion of school education as an economic good (a distinctive neoliberal tenet). We now have a situation where the demand and supply of education (a public good), resembles the sale of a retail product in a competitive market. This has been aided and supported by a key neoliberal principle of freedom of choice in school selection, which has contributed to reinforcing an already stratified schooling system with alarming implications for poor schools attempting to offer a competitive curriculum package in the context of financial constraint.

No-fee schools receive all their funding from the state and are not allowed to charge user or school fees, thus giving them very little autonomy in the way in which they are able to operate. They are almost totally dependent on the state to supply all their needs, which include stationery, textbooks, teaching aids and services such electricity, water and sanitation as well as repairs and maintenance.

Fee paying schools, on the other hand, are allowed to collect fees, engage in fund raising and generally have more autonomy in the way in which they generate their operational revenue (Fiske & Ladd, 2004). However, many of the fee paying schools that now serve low socioeconomic contexts often struggle to raise the required revenue through school fees and fund raising, severely compromising their financial sustainability and daily operations (Spaull, 2013). The data presented later reflect how this phenomenon plays out. In the section that follows, a brief account is presented of how neoliberal economic principles have come to be, and how they have changed school education, once taken-for-granted-state-provided social good, into a differentiated economic good in a market dictated by the consumer’s ability to pay.

A Brief History of Neoliberalism and its Appeal to “Freedom of Choice” in Post-Apartheid SA

In the post-World War II rebuilding era (in the West in particular), countries like the United States of America (USA) and the United Kingdom (UK) embarked on deliberate programmes to alleviate poverty, to strive for full employment and to utilise the resources of the state to uplift citizens. The state assumed full responsibility for energy, housing, health, water and education provisioning as these were deemed fundamental for social services for its citizenry (George, 1999). However, this Keynesian influenced model for economic development began to unravel. Friedrich Hayek is credited with having first coined the term neoliberalism and via the Mont Pelerin Society and through his book “The Road to Serfdom”, posited the view that stifling individuality for the benefit of the collective would ultimately lead to anarchy (Hayek, 2014). Individual economic freedom of choice, a restricted state and the idea that profit seeking would lead to efficiencies and economic growth began to germinate. The notion that the wealthy should not be penalised for wealth acquired through entrepreneurial activity and that taxation on high-income earners should be substantially reduced as an incentive to individuals to become more aspirant and accomplishing, began to have particular appeal. Neoliberalism as an ideology gained institutional traction in the 70s and 80s in two leading Western nations, under the leadership of Ronald Reagan in the USA and Margaret Thatcher in the UK. In response to growing public debt and rising inflation attributed to wage demands by unionised labour, Reagan and Thatcher set their respective countries on a path of systematic economic deregulation, the privatisation of previously public provisions, income tax cuts designed to incentivise and benefit the wealthy, and a systematic suffocation of trade union activity (Harvey, 2007).

A key premise from which neoliberalism departs is that the state should not occupy a central role in the economy. The argument is that the state lacks the efficiency that markets have as it relates to the correction of imbalances and the optimal use of resources. Neoliberares argue that welfare states are bureaucratic; they overspend and unfairly overtax citizens. They support a system in which the state should relinquish the provision of public services such as education, health and utilities as the state’s track record of such provisioning has been historically dismal (Peck & Tickell, 2007). In the SA context, given the extensive negative media coverage of the state’s poor performance in these crucial sectors, it is not unusual to expect that the SA middle class in particular, would find
neoliberalism appealing. There is a strong argument that the state’s role should be one of governance as opposed to traditional governing. In this governance function, the state should create the conditions for markets to form and flourish – especially in previously non-market social goods like school education. Freedom of choice, rational choice making, and confidence in the market are classic neoliberal cornerstones (Harvey, 2007). There remains the unquestioned assumption of a level playing field comprising individuals with free will, and the capacity to make rational choices. Economic growth is punted as the key determinant of economic welfare, through a process in which national economic growth would ultimately trickle down to all citizens. Schooling is viewed as serving the function of important first stage orientation to the economic world and preparation for assuming a position as productive citizen in the economy, a position critiqued by Sen, Nussbaum, Maistry and others (Berkowitz, Katz & Keenan, 2010; Maistry, 2014; Nussbaum, 2011; Sen, 2011). The traditional relationship between the school and the state in terms of the curriculum and governance has altered. Restricted teacher autonomy as it relates to content and pedagogy selection, standardised assessments and multiple performance and surveillance machinery have become common features of schools. Of significance for this article is the altered relationship that schools have with the state as it relates to resource provisioning.

In SA, first economy schools operate in a “free market-like” system, competing for middle class clients as businesses would for customers who wish to benefit from the consumption of goods and services they offer. Such institutions employ skilled financial professionals (bursars and persuasive fundraisers) on a full-time basis. These professionals are tasked with developing and implementing functioning, sustainable financial operating systems that can generate a continuous flow of income to meet the needs of the institution. Marketing and public relations specialists are employed to profile the services of such schools. The resources of a wealthy network of alumni is activated. Such schools might also benefit from endowments by wealthy benefactors.

While schools from wealthy communities appear to be coping well with the raising of additional resources through the collection of fees, fundraising and the securing of donations and sponsorships, the same cannot be said of poor schools. The functioning of many schools in low socio-economic contexts appears to be severely compromised by their almost perennial states of poverty. These schools often struggle to meet their budgetary financial requirements and appear to be in a constant cycle of financial crisis management. Unlike their advantaged counterparts, they struggle to collect school fees, rarely attract commercial sponsorships, and are in most cases unable to add to their facilities, equipment and resources. In most cases they have to contend with ageing and inferior physical infrastructures, insufficient funding, and limited financial support from the surrounding poor communities (Spaull, 2013). A compounding effect has been the influx of poor children, often from informal settlement communities. Financial viability of such schools is as a consequence, particularly challenging. Yet such schools continue to exist (Bush & Heystek, 2003, 2005; Fiske & Ladd, 2004; Lemmer & Van Wyk, 2004).

It becomes clear that the South African state has inadvertently contributed to pseudo public provisioning of school education and has created the conditions for market formation as it relates to public education. A key neoliberal principle (that of freedom of choice) is likely to thrive and entrench its normality under these conditions. The middle class is likely to vociferously guard its right to individual freedom and freedom of choice of geographical location and school. Public schools have been given the licence to differentiate their product offerings as well as the prices they charge. They wilfully market and sell this former social good (school education), as private good, the price of which is determined by the market (demand and supply). As can be expected, the middle class has little patience for state interference (or regulation) of this market. The outcome of this kind of neoliberal overture is analysed and discussed below.

**A Brief Methodological Note**
In this study we drew on tenets of the Critical Paradigm in an attempt to reveal the real struggles that principals, SGBs and poor communities endure – especially given that powerful, yet “invisible” forces control the market for school education and maintain conditions that paralyse poor schools and communities in states of poverty. Assumed merits of policies and legislation (SASA and NNSSF) give false hope that poor schools will free or emancipate themselves within the current neoliberal and commodified education system. We thus aimed to expose the forces that induced this paralysis. The intention then was not merely to understand situations and phenomena, but to develop insights for change (Cohen, Manion & Morrison, 2000). A critical qualitative case study research design allowed for the generation of thick, rich, contextualized descriptions (Rule & John, 2011). A well-constructed in-depth interview schedule was employed as the main data collection instrument as this allowed for considered prompting and probing of key issues that emerged. Follow-up visits to schools and telephonic interviews complemented this systematic, in-depth investigation.
Eight schools from economically disadvantaged communities were sampled. These schools were located in residential areas inhabited by predominantly Black-African, Indian and Coloured communities. These schools served an assortment of poor learners who resided near the school, travelled from surrounding townships and from nearby informal settlements. Although the sample comprised schools from various quintiles, including quintiles 4 and 5 (fee-paying schools), all schools in the sample endured serious financial constraints. This confirms how misleading the historical quintile classifications had become, an issue that is discussed later. The sample comprised two no-fee schools and six fee-paying schools. The two no-fee schools had quintile classifications of 3. Three of the fee-paying schools were classified as quintile 4, and three were classified as quintile 5. Purposive sampling, enabled choosing principals who had the necessary experience to articulate the challenges faced by their particular low socio-economic context. Women managed three of these schools. In line with ethical research practice, due sensitivity and confidentiality of the information was accorded to each participating school principal.

Data were analysed by applying qualitative content analysis techniques, using open coding, to discern the eventual themes that emerged from the data. Qualitative content analysis is a research method for making replicable and valid inferences from data within particular contexts, with the purpose of providing knowledge, new insights, a representation of facts and a practical guide to action (Krippendorff & Bock, 2009).

The findings of this study reveal that school financial management happens in unique and novel ways in low socio-economic schools. While the wider study generated a range of findings, this article focuses specifically on how neoliberal triggers in the SA democratic era have played out in particularly oppressive ways in the schooling sector. These pertinent issues are discussed below.

The Neoliberal Quintile System and the Flight of the Economically Astute

The demise of the Group Areas Act created conditions for the movement of different race groups into any geographical area in the country. As can be expected, the affluent middle class (in all race groups) were most mobile, moving at will and affecting their former neighbourhoods and schools in particularly negative ways. Pertinent excerpts have been selected for this article. The full corpus of data is available for scrutiny (see Africa, 2019).

In the extract below, a principal comments on the changing demographics of his school and how this has affected the make-up of his school population.

Many ... were prosperous in this area ... their children have gone to other areas or provinces ...

they had the finance ... so the people that are left behind are the informal settlers and the very poor.

A substantial number of wealthy parents and their children had left the school. The principal reflected on lost income, remorseful that his school no longer had access to this source of finance, but had to serve those who could not afford to relocate and poor families that had moved into the growing informal settlements that surround the school. The principal was aware that he could not expect any significant financial contributions from the informal settlement dwellers.

Another principal commented on the influx of poor children from distant suburbs searching for a better education.

Most of our learners come from the surrounding townships which are quite a distance away. Some also come from the nearby informal settlements. The Indian pupils that were here originally have gone to the ex-Model C schools. The majority of our children travel to school in municipal buses and private minibus taxis. In addition to their school fees, these parents pay an average of R600 or R700 monthly to send their children to this school. So, it’s quite a financial burden on the parents. Poverty is real, and when you factor in the fact that these parents pay an arm and a leg to send the children to our school, you have to admire them.

Many historically disadvantaged, Black-African learners live in townships that have dysfunctional schools that cannot compete with the more advantaged schools in the city and the surrounding suburbs. Parents, therefore, opt to send their children to schools outside the townships believing that they will get a better education. Parents incur substantial transport costs to get their children to school and pay school fees. This places a double financial burden on many poor parents who send their children to schools in neighbourhoods outside their home townships (Fataar, 1997, 2007; Hunter, 2015, 2017).

A Complex Layer of Neoliberal Race-Class Prejudice

All six of the fee-paying schools, as well as one of the no-fee schools experienced an exodus of wealthier Indian and Coloured learners to the more advantaged ex-Model C schools. There has been a flight of middle-class learners and parents based on prejudice, fear and apprehension of having to engage with a new largely Black-African school community of learners who they perceived to be unruly, aggressive and violent. Race related societal flash points are starting to become a phenomenon in contemporary SA schools, many of whom struggle to respond to the challenges that demographic changes have brought.

A principal explained how this flight from his school occurred.

What they do is, they use the school as a springboard to get into the system and then
transfer to a more affluent school. I suppose that happens when their financial status improves. They’ve all gone to the ex-Model C schools, by and large.

He also offered some insights into why this happened.

It’s difficult to surmise … I think it has to do with societal perceptions. It has to do with racism, unfortunately.

Principals cite prejudice towards the predominantly poor, Black-African learners from the townships that now attend many former Indian and Coloured schools as one of the reasons for the exodus. Racism that exists and has existed between the different shades of black people, viz., Indians, Coloureds and Black-Africans received very little publicity in comparison with White on Black racism (Carrim, 1998). It becomes clear that neoliberal class prejudice adds to the complexity via colour prejudice. It is clear that racism intersects all race groups and that racism is still alive with ingrained attitudes and class affiliation as compelling factors that contribute to societal stratification (Carrim & Soudien, 1999). The lack of finances renders many affected schools ineffective in improving their status, thus making them less appealing to affluent parents and learners.

That racism is a factor that is difficult to ascribe with certainty as it relates to parental behaviour, is an issue articulated below.

Unfortunately, it is difficult to say with absolute certainty who the racists amongst us are, because people have public and private personas, but we know from our interactions with people that we have many racists among us. It is something that has been inculcated in many sections of the population over a number of generations, going as far back as colonial times, and it is something that is very difficult to get rid of. This is not to say that some parents do not leave for the better facilities and learning conditions that Model C schools have, but we would be naïve to remove racism as a strong motivator for people leaving our schools and attending the Model C schools.

The principal raised the often-avoided issue of racism associated with school choice. There are not many people who would readily admit to being racists or engaging in racist behaviour. Many are unaware of the racial micro-aggressions they engage in on a daily basis (Sue, 2010; Sue, Capodilupo, Torino, Buccheri, Holder, Nadal & Esquín, 2007; Vincent, 2008). Many people, who have the financial means, opt to move their children to more affluent schools that have better facilities, and are perceived to have better learning and social environments. There is thus a subtle but distinct preference for same economic class association. This economic class stratification has particular racial hues in the SA context.

The data revealed that in many cases schools designated as Coloured and Indian during the apartheid era were now populated with predominantly Black-African learners. These schools are often scorned by many in the resident community and referred to in derogatory racial terms. In one instance a former Coloured school that experienced an influx of Black-African learners was referred to as “Darkhill” by the local residents of mainly Coloured people in direct reference to how many dark-skinned learners now attended the school. Another primary school from the same area that experienced a similar influx of Black-African learners was snidely called “Thandabantu” which means “likes black people”, (when loosely translated from isiZulu). This ultimate result for such schools has been the loss of fee-paying parents, drain on such schools’ finances (even if the exodus had been for racist reasons). Racism in the form of subtle inner-circle racism, racial micro-aggressions and sometimes blatant racism formed the basis and motivation for the flight to safer schooling havens – a phenomenon confirmed by recent studies (Pérez Huber & Solorzano, 2015; Sue et al., 2007).

The quintile system remains rigidly in place despite efforts to alert the state of its multiple negative ramifications. Even when threatened with legal action, there is a reluctance to review its workings. A quintile 5 school principal reveals the inadequacy of the state subsidy to meet all the school’s expenses. This is a widespread experience in many schools incorrectly classified with a wrong quintile ranking as a result of not having to serve poor communities. Affected schools made repeated appeals but the criteria remain rigid and reclassification attempts have been unsuccessful.

I have engaged the Department over the years about the quintile ranking of the school. I’ve even gone to the point of threatening legal action. The quintile ranking system is unfair in that certain criteria are taken into account for classifying the school in terms of where it is located, whether there’s a tarred road, whether it has piped water and electricity and other factors. Really! They should think about the clientele we serve, and our clientele is largely disadvantaged. But that’s not a factor that they take into account.

The quintile system works against many schools that provide for the poor and do not take into consideration the economic status of “new” communities that many poor schools serve.

You look at our neighbouring primary as well high school, they are definitely affluent compared to us, but they are quintile 4 schools. The difference between quintile 5 and 4 is around R400 per pupil. I receive R400 less per learner as compared to these two schools. I get one third of the funding that quintile 4 schools get. I’m fed up with the Department.

This principal lamented the fact that advantaged schools in the same residential area had been classified as quintile 4 schools and have been receiving a much larger state subsidy than his school that was classified as a quintile 5 school.
This situation had persisted for a number of years, despite the fact that he has made repeated submissions to have his quintile ranking lowered to 4.

Neoliberal Procurement Policies

The quintile system makes it mandatory for schools in quintiles 1 to 3 to source school supplies from state identified agents. Participants in this study were adamant that the system was inefficient and wholly wasteful. The state lacked the capacity to monitor the delivery or the quality of goods and services provided by these state appointed service providers and suppliers. A principal recounted an incident in which her school was defrauded of a relatively large sum of money in the procurement process.

Yes, they were very expensive. We were even defrauded to the tune of about R70,000. It just went out of our budgeted allocation and the explanation given was for stationery supplied, and no stationery arrived ... I wasn’t aware of what scam was going on at the time, and we were never reimbursed, despite having petitioned the Department.

State designated suppliers artificially inflate prices, a great concern of many principals of schools from low socioeconomic contexts. They deemed the procurement process wasteful and under the control of unscrupulous preferred suppliers and invisible powerbrokers within the Education Department, to the detriment of the intended recipients, viz. mainly poor and disadvantaged children.

We don’t buy stationery. The Department forces us to buy from their pre-arranged suppliers. We get our stationery packs. It comes out of our allocation. It’s deducted. We have no control. In fact, that’s the saddest thing, because ... prices are inflated ... and you tend not to get value for your money ... If I used my own suppliers, I could buy so much more than what the Department was giving me for the money I had. It’s a very big loss ... we are wasting money because that money could be used elsewhere.

The fact that many of these goods and services are grossly overpriced by preferred suppliers means that the allocated funds are quickly depleted, leaving schools with inadequate supplies and a diminished capacity to pay for further vital goods and services. This compounds the financial strife and misery on already impoverished schools and communities.

Conclusion

The South African Schools Act that permits the existence of independent (private) schools and state schools, is a distinct policy move that validated the conditions for a market for school education. For neoliberal practices to take hold, state legitimation thereof is a necessary pre-condition, a market whim that the new SA state duly acceded. Note that private schooling was an already established feature of the pre-democratic era and the new dispensation in 1994 simply re-validated this. The ex-Model C school system, another economic class-based model was firmly established at the time, normalising the notion of having to pay for a social good such as education (Berkowitz et al., 2010). The leakage of the middle class from former non-White suburbs to established middle (predominantly White) middle class suburbs was already an indication of the shape that the market for school education was going to assume. The introduction of the quintile poverty ranking system through the NNSSF might well be lauded as a noble attempt to diminish the burden of school fee payment by the poor. The challenge, though, is that this resource allocation formula was introduced into a system where the conditions for school education to be packaged and sold as commodity in the market for school education, was already well established and quite efficiently functioning as a differentiating and filtering system. The school neoliberal capitalist education market was already doing its work of sorting and separating the poor from the rich. A neoliberal capitalist market system has little tolerance for “inferiority.” Consumers make choices in line with their ability to pay. The poor usually have little choice and simply consume whatever is available out of necessity. The affluent on the other hand, make time to study the various market offerings and choose based on preference.

In the market for school education such choices are influenced by perceptions of utility value and quality, historical academic achievement and safety. The school education product might get differentiation in relation to extra-curricular offerings such as sporting and cultural activities and the availability of both exemplary personnel and facilities. Affluent schools are able to employ more teachers, and reduce class sizes, a feature that has always had appeal to the parent seeking differentiation in relation to extra-curricular offerings such as sporting and cultural activities and the availability of both exemplary personnel and facilities. Affluent schools are able to employ more teachers, and reduce class sizes, a feature that has always had appeal to the parent seeking individual attention for their children. Experienced personnel with proven track records of performance are “poached” and lured by embellished remunerative packages that affluent schools offer. Neoliberal accountability and performance regimes for all levels of personnel (from principals to teachers), aided and abetted by Section 38A of SASA, are likely to be much more pronounced and enforceable in this highly competitive environment where the whims of a discerning and high-fee paying clientele have to be satisfied. Such institutions then begin to mimic the traits of the corporate world.

In the market for restaurant food, for example, market share, branding, product differentiation, marketing, public relations, Chief Financial Officers (CFOs) and profit are essential features. The schooling system and school education as marketable commodity has firmly taken root in the SA school context. Through active marketing and
public relations, affluent schools (both public and private) employ sophisticated corporate informed strategies to differentiate their product offerings. Although all schools in SA apply the same national Curriculum and Assessment Policy Statement (CAPS), its implementation and consumption happens in highly variegated contexts. As revealed in this study, the consequence of neoliberal stratification is that schools in the poorest communities lose their financial support base to marginally “better” schools, while schools that now have to serve informal settlements in the city (and suburbs) lose their traditional wealthier parents to established rich schools. This pattern of school wealth realignment and resettling in the last two decades is the distinct outcome of current school education policy. The pattern of exodus in the SA context presents with a particular subtle, yet toxic racist tinge. The fear of the perceived undisciplined, unruly, disruptive, poor and dirty Black-African children is certainly a societal snobbery that a differentiated schooling system actively supports as evidenced by data in this study. Two levels of apartheid and prejudice are at play namely, racial and economic.

The manufacture and distribution of school essential supplies (including textbooks and stationery), once the domain of the state has been transferred to agents in the private sector. While it is beyond the scope of this paper to examine and critique the functioning of the tender processes as it relates to the production and delivery of essential school supplies, ongoing media reports, especially in the textbook distribution chain, indicate that in many instances the procurement and distribution of this crucial resource has been shambolic. The procurement of other school supplies as evidenced by data in this study suggests that the privatisation of this function is also fraught with serious tensions and irregularities. This is one instance where a neoliberal market-oriented strategy has indeed been confounding. Instead of the envisaged efficiencies that the market was assumed to produce, this study reveals how greed and profit maximisation have become over-riding factors. Of significance is the state’s apparent benignity in correcting and regulating a contrived market where exploitation and looting of the state purse has no consequence.

In this instance the state’s flirtation with a market model in which its designated suppliers enjoy the economic freedom and benefits from supplying a captive market has come at the cost of mainly the disenfranchised poor who make up the demand side of this market, namely, quintiles 1 to 3 schools as well as non-Section 21 Schools, who have no independent choice of supplier selection.

Arguably the most corrosive aspect of neoliberalism is its ability to mask the intricately connected relationship between race and class. Racism and classism have particular salience in the South African context. In SA’s so-called “post-race” era, this relationship takes on an intriguing complexity. Neoliberalism’s fundamental tenets of individual freedom of choice and personal wealth accumulation subsume and make invisible oppression and exploitation that the poor and disenfranchised experience. Struggles against historical race, gender and class disparities become somewhat benign in this kind of context (Wilson, 2011), a condition that has become prevalent in the “post-race” discourses in the UK (Kapoor, 2013).

The analysis of the empirical data presented reveals that the South African state has directly created the conditions for two distinct markets to be formed and to function, namely the market for school education as marketable and saleable product, and the market for school supplies. In the latter case, while the intention/intervention might have been to affirm businesses that had not traditionally/previously been part of the school supplies vendor list, this kind of business targeting clearly had counter-intuitive effects. In other words, the “monopoly” that these identified businesses enjoy have come at a cost to especially poor schools that are forced to purchase from them. In essence, the neoliberal state’s attempt to privatisé has in this instance been at the expense of the poorest schools and children.

Implications
It might prove difficult to convince an emerging middle class to remain in their original poor and working-class areas and to continue to support the schools in such areas. It does, however, present as fertile ground for research into instances where schools in low socio-economic contexts have been successful in retaining and even attracting middle class learners. State provisioning and the school quintile model is long overdue for critical review. While the state lays claim to several benefits that the system offers, attention should also be drawn to some of the unintended consequences that the model presents.

With regard to the mandatory procurement of supplies by poor schools from state designated vendors, the evidence is clear that the economic and optimal use of state funds is severely compromised. Monopoly pricing practices need to be investigated and schools should be afforded the freedom to choose the most favourable supplier.

While racism and middle-class snobbery are likely to be enduring features of society, schools might well develop situation-specific responses when such issues arise. Educational workshops for parents as well as active engagement with these issues through the school curriculum are plausible ways in which schools could respond.

In this article we have raised serious ethical questions around the neoliberal commodification of education. Current education policy informed by
SASA and the NNSSF is complicit in normalising the notion of school education as an economic good in the school education system. In a highly unequal South African society where education is perceived as the saviour of the poor and as the means for creating a more egalitarian society, the manner in which current education policy is playing out suggests that the education system is likely to become even more differentiated. Neoliberal stratification is likely to become even more stark.

Authors’ Contributions
I Africa collected interview data. SM Maistry and I Africa undertook the analysis. SM Maistry was the lead writer of the article. Both authors reviewed the final manuscript.

Note
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