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## Revisiting the Principle of Education as a Public Good

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### ABSTRACT

Education has been considered a human right and a public good in global public policy at least since 1945. This conceptualization has been produced and advanced by international organizations ever since, particularly by UN agencies and, among these, UNESCO. However, the educational landscape has changed considerably since then and it is now characterized by an increasing involvement of non-state actors, including for-profit organizations. Against this background, this paper analyzes the currency of the concept of public good, grounded in economic theory, and questions its potential to counter the effects of the privatization and commodification of education. After a thorough review of the theoretical foundations of the concept of public good and its limitations, the paper goes on to argue that a philosophical reading of the principles underlying the concept seems appropriate for this day and age. The author thus suggests the notion of education as a common good to transcend utilitarian views and as a vehicle to conceive of education as a collective endeavour from a humanistic perspective.

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#### Introduction

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## INTRODUCTION

In the decades following World War II, in the context of a growing welfare state encompassing all areas of economic and social life, education has been widely considered a public good, i.e. a good to be provided by the state. Rooted in economic theory, this conceptualization of education as a public good underlies, along with the right to education, the humanistic approach to education adopted by international organizations such as UNESCO<sup>2</sup> and the United Nations Committee on the Rights of the Child. Such a humanistic approach is based on principles of respect for life, human dignity, cultural diversity and social justice. It is focused on the full development of the individual and considers the cultural, social, economic, ethical and civic dimensions of education.

Yet, while there is a general agreement on the right to primary education, the role of the state, even at primary level, is increasingly being questioned by the advocates of the market, who draw on neoclassical economics. Correspondingly, the humanistic approach to education is losing ground against a narrowly economic and utilitarian discourse that considers education rather as a private good, a commodity. The conceptualization of education as a public good is also being called into question by the transformation of the educational landscape characterized notably by the increasing involvement of non-state actors, including for-profit actors, in what has long been considered the state's domain. These changes take place in a context of great challenges, among which are "unsustainable patterns of economic production and consumption" as well as "an increase in cultural and religious intolerance...", "vulnerability, inequality, exclusion and violence...within and across societies" (UNESCO, 2015).

Against this backdrop, there is a need for an underlying normative principle that allows the humanistic and holistic approach to education to meet the challenges posed by the changing global context, as well as to rethink the purpose of education and to achieve a new development model. Does the concept of public good provide the needed normative foundation for the humanistic approach<sup>3</sup> to education?

This paper first examines the theoretical foundations of the principle of education as a public good and highlights its range of interpretations. It then exposes the theoretical limitations of the concept of public good from a humanistic perspective. Thirdly, it examines the main challenges posed at national level to the principle of education as a public good by the general changes that impact the educational landscape. It concludes by pointing to the advantages of using the philosophical concept of common good over the economic concept of public good in addressing the challenges presented by the current evolution of the humanistic approach to education.

## EDUCATION AS A PUBLIC GOOD: A POLYSEMIC NOTION

Even though it builds on a rigorously defined economic notion, the principle of education as a public good is confusing. Not only does it draw on an understanding of public good that differs from the standard economic definition to which it refers, but it further departs from this standard definition in various ways, thus becoming a polysemic notion.

Generally attributed to Samuelson, who mathematically formalized it (1954, 1955), the standard definition of public good was carved by Musgrave (1941, 1959, 1969). Such definition is very restrictive: a public good, defined as counterpart to a private good, is "a good whose consumption does not diminish its availability to other consumers" (Samuelson, 1954). The standard theory of public good considers two criteria<sup>4</sup>: non-rivalry (once it is produced for one person, additional consumers can consume it at no additional cost) and non-

2 See for instance UNESCO's Executive Board at its 194th session: "Education is a public good. The state is the custodian of education as a public good" (p. 2).

3 UNESCO's humanistic vision of learning has been presented in two landmark publications: *Learning to Be* (1972) known as the Faure Report, and *Learning: The Treasure Within* (1996) referred to as the Delors Report. The former emphasizes that lifelong education needs to be enshrined as the basic concept in educational policies, and the latter proposes a holistic and integrated vision of education based on the paradigm of lifelong learning and on the four pillars of learning to be, learning to know, learning to do, and learning to live together. A humanistic approach to education is reaffirmed in the preamble of the Incheon Declaration – Education 2030: Towards inclusive and equitable quality education and lifelong learning for all, which was adopted on 21 May 2015 at the World Education Forum 2015: "We reaffirm that education is a public good, a fundamental human right and a basis for guaranteeing the realization of other rights".

4 In his 1954 paper, Samuelson only considers the criterion of non-rivalry. Musgrave's second characteristic of a public good, non-excludability, is implicitly added in Samuelson's 1958 paper. However, while Musgrave deemed non-exclusion as the most important characteristic of public goods, Samuelson insisted that the most important one is non-rivalry (Desmarais-Tremblay, 2015b).

excludability (a person cannot be prevented from using the good once it has been produced). Given these characteristics, individuals tend to act as “free riders”: they are likely to understate their preferences for these goods to avoid being taxed for their use and to let others pay for them. Consequently, the market cannot adequately estimate the demand and these goods are underprovided. Public goods are therefore considered market failures and justify state provision. Everyone benefits, for example, from street lighting, including those who do not pay for it. Therefore, street lighting may go unproduced if left to private entrepreneurs who cannot charge for its use.

Education does not match this narrow definition of pure public good, i.e. a good that bears both characteristics of non-excludability and non-rivalry. It is technically possible to exclude pupils from access to school, or their school attendance could prevent other children from benefiting from it, as classroom capacities are limited. Yet, conceptualizations of education as a public good refer more or less explicitly to this standard definition. These conceptualizations either fuel the standard definition of public good with ethical considerations that are foreign to it or complement its core line of thought with other economic theories.

One widespread approach is the former, to enlarge the standard theory of public good from within by fuelling it with ethical considerations. This approach explicitly refers to the standard theory of public good while interpreting it loosely: education is considered non-excludable not on technical grounds but on ethical and/or legal ones. The human rights approach falls within this category and provides a rationale for compulsory education. From this perspective, education is an impure public good, since only the criterion of non-excludability is met; the underprovision of education that justifies state intervention is no longer linked to the free rider issue but to private provision. Indeed, given the technical possibility to exclude someone from school attendance, private actors are likely to provide education only for the children whose parents can pay school fees. There is therefore a need for state intervention to ensure equity.

Indeed, given the technical possibility to exclude someone from school attendance, private actors are likely to provide education only for the children whose parents can pay school fees. There is therefore a need for state intervention to ensure equity.

Alternative conceptualizations of education as a public good expand the standard definition from outside, drawing on other economic theories of public expenditure. They keep from the standard theory the link between market failure and necessity of state provision to overcome underprovision but draw on complementary rationales for state intervention. The identified market failure is no longer linked with the free rider problem but rather with the economic notions of lack of rationality of economic agents, imperfect information and externalities.

The first alternative set of theoretical justifications for the provision of education by the state, i.e. considering education as a public good, is market failure due to imperfect information and/or lack of rationality of economic agents. This rationale is in line with the concept of merit good, introduced by Musgrave<sup>5</sup> (1959), which refers to a commodity that ought to be subsidized or provided free on a basis other than consumer choice because it is judged that an individual should not have it on the basis of ability and/or willingness to pay<sup>6</sup>. Many individuals, due to information failure or lack of rationality, are unwilling to pay for education as they are unable to correctly evaluate and thus appreciate the benefits they draw from it and/or are myopic, maximizing short-term utility without considering long term benefits. Musgrave considered that “the advantages of education are more evident to the informed than the uninformed” (Musgrave, 1959) and that those lacking education may not buy a sufficient amount of it, even if they can afford it. The state may therefore be in a better position to judge what individuals need and may have to provide education for social and ethical reasons.

5 The premises of the concept of merit good are to be found in Smith’s writings (Ver Eecke, 2003) as well as in Mill’s writings (Desmarais-Tremblay, 2015a). Adam Smith, the father of economic liberalism, claimed that education should be provided to everyone, regardless of wealth. Indeed, he believed education of the masses to benefit to whole society, being a means of making for better citizens and of promoting domestic tranquility particularly in democratic nations, in which the masses were participants in government (Smith, 1776). Mill considered that “laissez-faire...should be the general practice” (Mill, 1848). He accepted exceptions to this rule, notably when the individual is not the best judge of his interest, as in the case of education, where “the uncultivated cannot be competent judges of cultivation” (ibid). However, the concept of merit good has been rather neglected by neo-classical economic theory.

6 When referring to services which should be provided universally to everyone regardless of one’s ability to pay, the concept of merit good entails ethical considerations that are larger than that of mere market failure. In that case, this concept, close to that of primary good (Rawls, 1971), represents another way of laying foundations for human rights and social justice approaches to education.

The shortsightedness of individuals also justifies state intervention when considering the spillover effects of education. Education generates collective benefits, called positive externalities, which far exceed individual benefits. These collective benefits entail notably a country's economic growth, innovation capacity and competitiveness as well as social cohesion and shared values. They are generally not taken into account by individuals who, having to pay to attend school or university, would therefore complete levels of education that are too low to maximize collective benefits. Expressed in economic terms, this is a case of market failure and state provision of education is required in order to bring the private costs and benefits in line with the social costs and benefits. From this perspective, education is a public good: it requires state intervention.

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There is a common point between the diverse approaches to public good (the standard definition as well as the alternative conceptualizations of education as a public good). This common point can be summarized in the following logical chain:



However, confusion arises from the fact that the alternative rationales for state provision of education differ substantially from one another as well as they differ from the standard theory of public good. The concept of public good, borrowed from a theory whose main feature was rigour, has become polysemic and confusing.

## LIMITATIONS IN TRANSPOSING THE ECONOMIC CONCEPT OF PUBLIC GOOD TO EDUCATION

In addition to being confusing, the economic concept of public good has been challenged on theoretical grounds as providing no concrete guide for action. As for the transposition of this concept to education, it has implications that run against the humanistic approach to education: not only does it fail to consider the social, cultural and ethical dimensions of education, but it also provides a rationale for privatization and commodification of education.

The economic concept of public good is inadequate as a positive model even when defined in a broader sense that considers the logical chain relating state provision to market failure.

In its narrowest sense, the concept of public good as defined by Samuelson and Musgrave is "of limited analytical, and therefore also limited practical-political value" (Kaul, 2001). Samuelson conceptualizes public goods as a "polar case", i.e. an ideal concept defined as counterpart to the opposite polar case of private goods<sup>7</sup>. Public goods are so stringently defined that reality departs largely from this conceptualization. The standard theory of public good is therefore inadequate as a positive model, for most government-provided goods do not fit this definition<sup>8</sup>.

The economic concept of public good is inadequate as a positive model even when defined in a broader sense that considers the logical chain relating state provision to market failure. This economic concept of public good forms part of the neoclassical theory, a theory that separates

7 Musgrave, considered that the theory had to be realistic and proposed a more nuanced definition of public goods than Samuelson. He reviewed "the polar case of a pure social good" and suggested some generalization to mixed goods (Musgrave, 1969). However, even in his writings, public goods remain an ideal type that is not to be looked for directly in the world.

8 Samuelson was submitted to harsh criticism within the year following the publication of his 1954 article. Enke (1955) considered that economists have the moral responsibility to provide governments with guidelines instead of creating purely conceptual theories that have little reference to the real world. Samuelson conceded that "the careful empiricist will recognize that many – though not all – of the realistic cases of government activity can be fruitfully analyzed as some kind of a blend of these two extreme polar cases" (Samuelson, 1955). He added: "my model of pure public goods has turned out to be an unrealistic polar case" (Samuelson, 1958). In 1969, he even "expressed regret that his analysis was in terms of polar cases of pure collective consumption and private consumption goods" (Hammond).



economics from politics to ground a “pure economic theory”. From this perspective, the state’s perimeter is delimited in an almost passive manner by technical considerations. One is the technical impossibility to exclude someone from benefiting from a public good if that person does not pay for it (non-excludability), another is a public good’s technical characteristic of producing externalities. Ethical, political or social considerations lie out of the scope of neoclassical theory<sup>9</sup> and are thus hardly addressed by the economic concept of public good<sup>10</sup>. Yet, the boundary between public and private goods is not determined by fixed criteria but is socially constructed: societies choose to make goods private or public not solely on technical but also on social or political grounds. Primary education, for instance, is a private good regarding its technical characteristics (rivalry and exclusion) but it has been turned in most countries into a free, non-exclusive, universally available and even compulsory service provided by the state. Similarly, the scope of state provision varies across nations and over time. In most western countries, during the decades following World War II, the state has played a large role in the economy, providing many private goods while since the Eighties, the pendulum has swung towards the shrinking of the state’s prerogatives. Therefore, an adequate positive theory of public expenditure would need to penetrate “the murky waters of political sociology”<sup>11</sup> (Margolis, 1955) and to “analyze public policy with values up front, not hidden behind the seemingly technical concept of public goods” (Malkin and Wildawsky, 1991).

Beside the inadequacy of the economic concept of public good to provide a concrete guide for action, its theoretical underpinnings conflict with the principles underlying the humanistic approach to education.

The neoclassical theory, which undergirds the concept of public good in its largest sense, builds on a set of interrelated theoretical assumptions, among which are methodological individualism and utilitarianism. Methodological individualism considers a standard and abstract individual as a unit of analysis. Society is envisaged as a juxtaposition of interchangeable individuals who exist in a social vacuum and make decisions without a sense of belonging to a group or a culture. General interest is reckoned as the aggregation of individual interests. Complementing this approach, the utilitarian theory of *homo oeconomicus* assumes that individuals are rational and narrowly self-interested agents who seek to maximize their utility, balancing the benefits of a decision against its costs, as utility is measurable in monetary terms. This cost-benefit analysis<sup>12</sup>

also holds true for the state; the collective being the aggregation of individual interests. A good policy aims to maximize the sum of individual utilities through cost-benefit analysis.

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The neoclassical theory has several implications that conflict with the humanistic approach to education. It values what can be monetarily evaluated, such as economic benefits, at the detriment of what cannot be priced. Hence, the predominant neoclassical approach to education, the human capital theory (Becker, 1964), regards education as an investment that confers mere economic benefits, at the individual level (higher earnings) as well as at the collective level (economic growth, higher productivity and competitiveness, etc.)<sup>13</sup>. Furthermore, the individualistic perspective underlying neoclassical theory tends to disregard or underrate essential collective dimensions of education such as ethical, cultural, civic,

9 Samuelson assumes “no mystical collective mind that enjoys collective consumption goods” (Samuelson, 1954) and builds his model considering a “social welfare function representing a consistent set of ethical preferences among all the possible states of the system. It is not a ‘scientific’ task of the economist to ‘deduce’ the form of this function” (Samuelson, 1954).

10 The above mentioned human rights approaches to education, whether they expand the standard theory from within or rely on Musgrave’s concept of merit good, constitute an exception to this assertion as they rely on ethical principles. However, basing an ethical approach to education on the economic definition of public good is paradoxical as it amounts to conjugating two antithetical theoretical frameworks. Hereafter in this paper, the analysis is focused on the economic concept of public good, with the exclusion of these human rights approaches.

11 Given the difference between the implications of his model of optimal public expenditure and what governments actually spend money on, Samuelson took distance from his normative “model”, believing that public expenditure and regulation proceed from considerations that include redistributing concerns, democratically sanctioned paternalistic policies, and cases of increasing returns as well as generalized external economy and diseconomy situations. He also began to have reservations about the potential of economic theory to contribute to the discussion on public expenditure. “Economic theory should add what it can to our understanding of governmental activity. I join with critics in hoping that its pretentious claims will not discourage other economic approaches, other contributions from neighboring disciplines, and concrete empirical investigations” (Samuelson, 1955). “To the theorist, the theory of public finance is but part of the general theory of government. And at this frontier, the easy formulas of classical economics no longer light our ways” (Samuelson, 1958).

12 “[Political economy] does not treat the whole of man’s nature as modified by the social state, nor of the whole conduct of man in society. It is concerned with him solely as a being who desires to possess wealth, and who is capable of judging the comparative efficacy of means for obtaining that end” (Mil, 1836).

13 Public policy decisions regarding investment in human capital rely on measuring the rates of return on such investments, i.e. comparing the additional earnings from employment of better educated individuals to the additional cost of investing in more education. However, less restrictive approaches to human capital take into account not only the economic but also the social benefits of such investments, such as better public health, lower crime, and a better environment.

social aspects as they are generally underrated by individuals, who consider their individual interest first and foremost. Valuing the individual over the collective benefits of education provides a rationale for envisaging pupils as consumers and education as a commodity, a conceptualization that poses serious threats for equity as well as for the full development of the individual.

Lastly, neoclassical theory defines the public sector's field of intervention as residual in relation to the private sector and the market, which is assumed to be the reference model of regulation. The state is not considered qualified to carry out a positive role on its own but is regarded as a default option, which must be as circumscribed as possible. In education however, a market is technically possible as education does not meet the standard criterion of non-excludability and as its externalities can be addressed by means other than state intervention<sup>14</sup>. Hence, the principle of public good, as grounded in neoclassical theory, can serve as a rationale for the privatization of education.

In sum, the principle of education as a public good has theoretical limitations from a humanistic perspective, as it cannot be disconnected from the neoclassical theory in which it is embedded. It provides no concrete guide for action, it fails to consider essential dimensions of education and can serve as a rationale for the privatization and commodification of education.

## EDUCATION AS A PUBLIC GOOD UNDER STRAIN IN A TRANSFORMING EDUCATIONAL LANDSCAPE

In addition to its lack of clear definition and to its theoretical limitations from a humanistic perspective, the principle of education as a public good is under strain with the transformation of the educational landscape. What characterizes this transformation? What are the implications for the role of the state and, subsequently, for the relevance of the principle of education as a public good?

In most countries, the broadening and diversification of non-state engagement in education challenge the role of the state in terms of funding and provision. In OECD countries, for instance, the private share in national expenditure, essentially coming from households, increased from 12.1 percent in 2000 to 16.8 per cent in 2010 for all levels of education<sup>15</sup>. This trend towards growing engagement of non-state actors in education mainly results from the discrepancy between a rising demand for education at all levels and public budget constraints in the context of expanding civil society organizations and of increasing economic liberalization that prompts business sector involvement. The rising implication of non-state actors in education takes a large variety of forms, such as private operation of public schools (contract schools), private sector supply of inputs into the education process, education vouchers and scholarships, delivery of education by private providers. These multiple situations are generally considered as types of public-private partnership (PPP)<sup>16</sup>, a term that holds a host of definitions but can be loosely defined as a public and private interaction to deliver a service<sup>17</sup>.

This trend towards growing engagement of non-state actors in education mainly results from discrepancy between a rising demand for education at all levels and public budget constraints in the context of expanding civil society organizations and of increasing economic liberalization that prompts business sector involvement.

14 A line of research in neoclassical economics found that externalities do not necessarily demand state provision: they can be addressed through a large variety of measures such as property rights, taxes, incentives, etc. (Pigou, 1924; Coase, 1960; Demsetz, 1964). Building on Pigou's conclusions, Friedman (1955) considers the setting of taxes by the state in place of providing education to address the positive externalities education generates.

15 OECD Database. Across OECD countries, the increase in private expenditure is generally not tied to a decrease in public spending on education and, on average, public funding accounts for nearly 84% of all funds for educational institutions. Regarding tertiary education, in most countries, individual households account for most of the private expenditure.

16 This classification of public-private partnerships is that of the International Finance Corporation (IFC), a member of the World Bank Group.

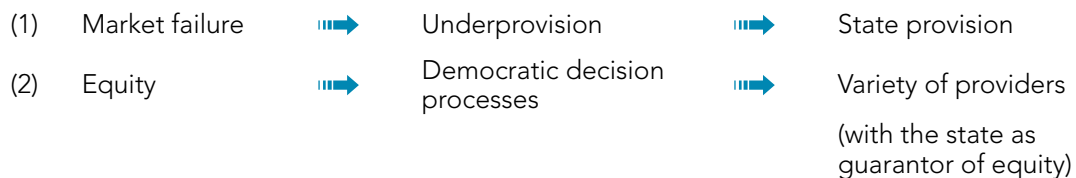
17 PPPs promoted by international organizations such as the World Bank or the OECD, are generally understood as joint government and for-profit or commercial initiatives. This approach has been broadened through the carving of the concept of multi-stakeholder partnerships for education (MSPEs), which covers partnerships that bring together a wide range of public, private but also civil society stakeholders (Draxler, 2008). This concept is promoted by UNESCO.

In addition to financing and provision of education, the state's sharing of responsibilities also concerns decision-making. The empowerment of an increasingly informed and educated civil society through democratization of access to education and to the Internet is transforming patterns of social, civic and political engagement and arousing "demand for greater accountability, openness, equity and equality in public affairs" (UNESCO, 2015). This process, along with the heavier involvement of the private sector and the increasing influence of international agencies in education<sup>18</sup>, results in a shift from government to governance in policy-making (Rosenau, 2005; Rhodes, 1997). In other words, there is a transition from hierarchical, public decision-making, bound within state structures, to networked decision-making that is inclusive of the private sector and of non-state organizations (Lingard and Rawolle, 2011)<sup>19</sup>.

In this context, non-state actors act as "political entrepreneurs" (Keck and Sikkink, 1999): they are important players that carry out diverse roles across the whole policy spectrum, from influencing policy makers to taking action independently of states<sup>20</sup>. As for the state, its role evolves towards a regulatory function, by setting educational standards with enforcement and monitoring mechanisms through a national accountability framework. In face of the high concerns about equity and non-discrimination raised by the increasing involvement of for-profit actors in education, the state tends to endorse the role of a guarantor of last resort of education as a human right, i.e. non-discriminatory and equitable education to be provided for free, at least at the primary level.

These transformations impact on the principle of education as a public good in three respects. Emphasis is laid by civil society on equity and social justice concerns rather than on market failure as fundamental determinants of political decision. In addition, the state's sharing of responsibilities with a wide range of non-state actors as decision-maker, financier and provider of education results in a blurring of boundaries between the public and the private (UNESCO, 2015). Both these trends raise the question concerning the relevance of the principle of education as a public good, which links state intervention with market failure. Finally, the decision-making process has changed with the emergence of new forms of inter- and intra-networking influences. Yet, this change in decision-making is not addressed by the principle of education as a public good, which focuses on provision by the state.

Therefore, the principle of education as a public good, to be relevant in the current context, ought to replace its logical chain (1) by a renewed one (2):



## CONCLUSION

The educational landscape has undergone deep changes over the last decades, with the transformation of governance models, the increasing involvement of civil society organizations as well as a growing trend towards privatization and commodification of education.

These changes in the educational landscape, along with the emergence of challenging realities, in social, political, economic, environmental and intellectual areas, call for a humanistic and holistic approach to education that goes "beyond narrow utilitarianism and economism to integrate the multiple dimensions of human existence"

18 Globalization is a major issue with regard to education. However, this issue, as well as that of international governance of education, is not discussed as such in this paper, as it focuses on national matters.

19 Lingard and Rawolle define this evolution as a "rescaling of educational policy and politics". They include as one of its explanatory factors the impact of new public management on the state's operating methods at national level in education. New public management has been accompanied by new forms of outcome accountability (Wiseman, 2010).

20 Adapting Albin's (1999) typology of NGO activities, Nasiritousi et al. (2014) propose nine key dimensions of non-state actor governance activities: influence the agenda, propose solutions, provide information and expertise, influence decisions and policy makers, raise awareness, implement action, evaluate consequences of policies and measures, represent public opinion and represent marginalized voices. Nasiritousi et al. (2014) also build a typology of power sources used by non-state actors to gain authority in governance: symbolic (legitimacy to invoke moral claims), cognitive (knowledge, expertise), social (access to networks), leverage (access to key agents and decision-making processes), and material (access to resources and position in the economy) powers.

(UNESCO, 2015). These new realities also require the humanistic approach to allow for rethinking the purpose of education and the role of the state as well as for achieving a new development model.

The principle of education as a public good is no longer relevant as a normative principle to undergird such a humanistic and holistic approach to education: it fails to consider the social, cultural and ethical dimensions of education<sup>21</sup> as well as to catch up with the redefinition of the role of the state resulting from the transformations of the educational landscape<sup>22</sup>. Stemming from neoclassical theory, it also provides a rationale for privatization and commodification of education.

An alternative option, suggested by UNESCO (2015), is to revisit the theoretical bases underlying the humanistic approach to education. In this respect, the concept of common good represents a promising alternative to that of public good. Rooted in a philosophical tradition, this concept has an intrinsic collective dimension that enables moving “beyond the instrumental concept of the public good in which human well-being is framed by individualistic socio-economic theory” (UNESCO, 2015). Common goods are those that contribute to the general interest, enabling society as a whole to be reinforced and to function better, as well as individuals to live better<sup>23</sup>. Therefore, common goods must benefit all. Defining what is a common good is a collective decision that involves the state, the market and civil society<sup>24</sup>.

The concept of common good can serve as an underlying principle to a holistic and humanistic approach to education as it enables consideration of its social, cultural and ethical dimensions. Departing from a utilitarian conceptualization of education, it re-embeds economy in its social setting and addresses the issue of commodification of education. The concept of common good also enables comprehending the changes affecting the educational landscape by considering structures of governance and provision that involve not only the state but also a large variety of non-state actors. Finally, the concept of common good, encompassing ethical and political concerns, provides a principle to rethink the purpose of education. It therefore represents an auspicious avenue for further reflection.

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- 21 The concept of public good represents a reduction in the conceptualization of public intervention among economists. The German tradition of public finance (Finanzwissenschaft), for instance, developed a pluralistic view of the role of the state, building on a comprehensive description of what it was actually doing. Wagner, one of the prominent figures, admitted many special collective needs such as religious and moral needs, elementary instruction, etc. (Wagner 1892). He insisted that the goods provided by the state be identified through a socio-political analysis. In contrast to this broad approach, the concept of public good represents a narrowing of concern to policies restoring efficiency in cases of market failures. Even Musgrave, one of the main contributors to the standard definition of public good, was not fully satisfied with it. He invented the concept of merit good in 1959 to account for ethical considerations and state responsibilities that have been left out by the narrow concept of public good (Desmarais-Tremblay, 2016). “Public finance may well have taken too narrow a view... There remains an uneasy feeling that something is missing. The concept of merit wants... addresses this gap, but much remains to be done to resolve the problem of communal wants in a satisfactory fashion” (Musgrave, 1996). For Ver Eecke (1998), the concept of merit goods was a Trojan horse in economics which led to an “unfinished ethical revolution”. A full acceptance of the concept would involve a “paradigm shift” from an individualistic view of economics to a socio-economic viewpoint.
- 22 Kaul (2001) has proposed to renew and expand the concept of public good. She has proposed to require public goods to be inclusive (public in consumption), based on participatory decision-making (public in provision) and offering a fair deal for all (public in the distribution of benefits) in line with the logical chain: Equity a Democratic decision processes a Variety of providers. Yet, the concept of public good, even expanded, is grounded in neoclassical economics and thus bears the underpinning assumptions of this trend of thought.
- 23 Mastromatteo and Solari define the common good as “an inter-subjective evaluation concerning the realization of the processes needed to fulfill the needs of the community. It concerns ‘an order of society’ that is not reducible to individual needs and desires and is political in nature” (Mastromatteo and Solari, 2014). Therefore, “the common good is intrinsically a vague notion, which cannot be produced like a commodity, but is rather a guiding force for the action of all the social actors” (Desmarais-Tremblay, 2016). In this perspective, Musgrave’s concept of merit good is similar to that of common good : “Admittedly difficult to define and dangerous to entertain, communal concerns have been part of the scene from Plato on, and my concept of merit goods ... was to provide a limited opening for their role” (Musgrave 1997).
- 24 Kaul’s renewed concept of public good globally matches that of common good. Therefore, her contributions can be integrated into the reflections around this concept of common good.



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