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Volume 39  
Issue 1 Fall 2009

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### Recommended Citation

Ellison, Scott (2009). Hard-Wired for Innovation? Comparing Two Policy Paths Toward Innovative Schooling. *International Education*, Vol. 39 Issue (1).

Retrieved from: <https://trace.tennessee.edu/internationaleducation/vol39/iss1/2>

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# HARD-WIRED FOR INNOVATION? COMPARING TWO POLICY PATHS TOWARD INNOVATIVE SCHOOLING

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## ABSTRACT

The task of this study is to compare two policy approaches to fostering, or “hard-wiring,” educational innovation in public schooling: the marketplace approach and the Finnish approach. The results suggest that an innovative public education sector is characterized by decentralized decision-making, institutional space for risk-taking, and strong support systems to both encourage risk-taking on the part of education actors and to spread innovative ideas throughout the education system. Results also suggest that there are several areas in need of further inquiry including the development of a foundational understanding of educational innovation, the need for better data on the ability of competitive markets to foster educational innovations and the kind of innovations they incentivize, and the need for better data on the role innovation plays in Finland’s success in academic achievement.

A quick survey of recent literature addressing international trends in education policy and reform will quickly demonstrate that an important idea driving policy is the concept of innovation or, more specifically, the idea of “hard-wiring” innovation into the framework of the education sector. Grounded in the language of globalization and economic competition, the idea of educational innovation is a response to the perceived need on the part of policy-makers for institutional flexibility in public education to meet the changing needs of technology-based economies. The hope of education reformers the world over is to institutionalize innovation

as a structural element of public schooling, to “hard-wire” innovation into the education sector. The challenge is to construct an education sector that can respond to the dynamic changes associated with globalization in order to provide students with the skills and knowledge needed to succeed in an uncertain future. From even a cursory read of educational discourse, it would appear that policymakers and educators need to find a way to institutionalize experimentation, specialization, and innovation into public schooling.

However, in contemporary educational discourse, innovation remains a poorly defined concept. For our purposes here, we can describe educational innovation as belonging to two broad categories of educational change: administrative and instructional innovation. Administrative innovation denotes experimentation with and transformation of school organizational models and administrative functions, labor policies and incentive structures, and professional development and training. Instructional innovation denotes experimentation with and the transformation of pedagogical practices, curricular approaches, student assessments and professional collaboration.

The task of this study is to compare two policy approaches to fostering, or “hard-wiring,” educational innovation in public schooling. The first of these is the most prevalent: the marketplace approach (Lubienski, 2006). Nations as diverse as Sweden, the UK, the USA, Chile and New Zealand have turned, in some form, to the education marketplace as a way to “hard-wire” innovation into public education, through methods such as school vouchers, school choice, and charter school programs. The second approach is unique to one nation: Finland. In contrast to international trends in education policy, the series of reforms Finland introduced in the 1990’s explicitly rejected the marketplace approach. Instead, Finland re-affirmed its commitment to public schooling as a national institution while also introducing local autonomy in educational decision-making, and it made significant investments in teacher training and professional development.

This study reviews the existing research literature addressing the efficacy of these two approaches to education policy in fostering innovation in public schooling so as to use the best evidence available to identify the characteristics of an innovative public education sector and to identify gaps in existing knowledge. At this point, the research literature is incomplete; however, the sig-

nificance afforded innovation in current trends in education policy requires an accounting of existing knowledge. The results suggest that an innovative public education sector is characterized by decentralized decision-making, institutional space for risk-taking, and strong support systems to both encourage risk-taking on the part of education actors and to spread innovative ideas throughout the education system. Results also suggest that there are several areas in need of further inquiry including the development of a foundational understanding of educational innovation, the need for better data on the ability of competitive markets to foster educational innovations and the kind of innovations they incentivize, and the need for better data on the role innovation plays in Finland's success in academic achievement.

### **THE MARKETPLACE APPROACH: EDUCATIONAL INNOVATION OR EDUCATIONAL MARKETING?**

The most prevalent policy approach to "hard-wiring" innovation into public schooling is the marketplace approach to education policy. The marketplace framework envisions innovative schools testing new approaches to pedagogy, curricula, and school organization with the market acting as the ultimate arbitrator of success. It is argued that letting loose the entrepreneurial spirit of modern capitalism into the realm of public education would lead to heterogeneous school systems composed of specialized schools catering to the specific educational needs of different student populations (Walberg & Bast, 2003, p. 222). The National Center on Education and the Economy envisions a marketplace of schools that act as "beehives of innovation and creativity, places where people with ideas who love children [can] flourish" and that are "good destinations for bright and able people with drive and ambition." (Economy, 2006, p. 75). Chubb describes the benefits of the marketplace this way:

Intentionally or unintentionally, schools subject to market pressures tend to develop clear missions (parents know what the school stands for), focus on academics (parents want to see their children learn), encourage strong site-based leadership (great schools are headed by principles who take charge of student achievement), and build collaborative faculties (great schools make achievement a team effort). (Peterson, 2003, p. 333)

From religious schools that focus on the basics of reading, writing, mathematics, and moral instruction to wired schools that employ computers to “analyze students’ learning styles” in order to tailor make instruction to their “specific needs, abilities, and learning” (Eggers, 2007, p. 68), the idea of an educational marketplace is characterized by a diversity of specialized education providers that are responsive to “a dynamic, ever-changing world”, customer oriented, performance driven, innovative, and that foster a meritocratic culture in which “the fastest learner wins—whether an individual or team—and others use that success to inform their own practice” (Hess, 2007, p. 43).

Actual policy reforms designed to foster an educational marketplace have differed across nations. Chile and New Zealand adopted their own forms of a school voucher system while the USA and the U.K. have moved toward charter schools and school choice programs respectively. However, there are two general characteristics applicable to all. The first characteristic is that the market-based reforms pursued by each of these nations has sought to foster competition between schools in varying degrees. The idea is to create competitive environments at the local level in which schools actively compete for students and, by proxy, resources. The second characteristic shared by all is the implementation of an accountability regime of some form to enforce “market discipline.” These accountability regimes all establish some metric for achievement, an assessment system to judge success, and a system of consequences for failure, whether that be closing down a school, re-organization of school leadership and staff, or turning over the operations of a school to the private sector. While school competition reforms operate at the local level, the systems of accountability associated with them take a very top-down approach. Judging success and failure in the educational marketplace is the providence of national policy that defines the rules of the marketplace and enforces those rules through accountability measures (Lubienski, 2006; Sahlberg, 2008).

The research literature examining the linkages between market-based education reforms and educational innovation remains preliminary. Nevertheless, there are clear patterns emerging from the literature available thus far that do allow us to begin the process of drawing some conclusions. It appears that an educational marketplace model fosters innovation in the education sector; however, it is not the kind of innovation envisioned by its advocates.

In the USA, current market-based reforms are built around charter schools: private institutions that receive public funding and are freed from many of the rules regulating traditional public schools. Lubienski's review of the literature on charter schools in the USA found that while charters do offer parents alternatives in such areas as class size or programmatic focus they are not engaging in classroom practices that are new or even different from what's already taking place in traditional public schools (Lubienski, 2003). "Indeed, a substantial plurality of charter schools employ a traditional 'basics' approach to instruction" (Lubienski, 2003, p. 418). In contradistinction to an innovative educational marketplace, Lubienski notes a standardization of educational practices:

[P]ertinent here... is the concept of mimetic isomorphism, wherein institutions employ a constricted set of responses to uncertainty. Particularly when facing a precarious environment or when operating on ambiguous goals, organizations are more likely to emulate similar organizations in their field that they perceive to be more legitimate or successful. (2003, pp. 423-424)

From Lubienski's findings, it would appear that the uncertainties created by competitive markets can actually work to undermine the research and development attributed to market-based education reforms leading instead to risk aversion:

In this regard, the paucity of classroom innovations emerges not simply in spite of the market forces that have been brought to bear through the changes in school governance. Instead, curricular conformity and standardization may be encouraged by the very market forces that were unleashed to address those ills. (Lubienski, 2003, p. 423)

Huerta's recent work on charter schools in California notes that the de-centralization associated with market-based reforms creates the possibility for innovation but the struggle between internal policies and external accountability pressures can work to close down those possibilities and contribute to isomorphism. As Huerta notes: "[I]nternal organizational dissonance linked to the challenges of operating an independent school, as well as policy pressure for increased regulatory demands on charters, may lead to organizational ambiguity, and ultimately a school reform model that is co-opted by traditional definitions of schooling" (2009, p. 259).

However, there are some areas in which American charter

schools appear to be innovating and that is in administrative functions, such as merit pay and soliciting private capital. Yet it is important to also note that these “administrative innovations are an immediate result of the structural changes fashioned as policy inputs for charter schools, not an end to themselves” (Bulkley, Wohlstetter, & Hill, 2003, p. 82). It would be a stretch to attribute these kind of administrative innovations to any inherent characteristic of an educational marketplace as opposed to the result of the policy decisions that lead to the creation of charter school programs in the first place. For example, freeing charter schools of collective bargaining is an intentional policy input that is intended to not simply hold down education costs but to also free up funding for developing innovative pay and incentive structures.

There is one area of administrative innovation that can be specifically attributed to the creation of charter school competition. Looking at data from the Washington, D.C. charter program, Lacireno-Paquet, Holyoke, Moser, and Henig (2002) find that even though both non- and for-profit charters were created to target high poverty, predominantly minority students, there are significant differences in the students these charters serve.

While nonmarket-oriented charter schools are serving equal or higher proportions of needy populations than the traditional public school system, those with more entrepreneurial aspirations are not. The percentage of special education students served is nearly twice as high in nonmarket-oriented charters than in market-oriented ones. The overall responsiveness of Washington, DC charter schools to the special needs of Latino students, who constitute the overwhelming majority of those with special language needs, appears to be entirely attributable to the targeted efforts of a few of the nonmarket-oriented charter schools. (Lacireno-Paquet et al., 2002, p. 155)

In the research literature, there is significant evidence that charter schools in the USA contribute to student segregation along racial and class lines, and there is emerging evidence that this dynamic is not a bug associated with market-based education reforms but a feature (Garcia, 2008a; Garcia, 2008b). The charter schools most sensitive to market forces (i.e. those charters that answer to investors) appear to avoid servicing those students that require the most resources and somehow “shape” their student bodies. In a study on the informational material provided by traditional public,

charter and private schools in competitive environments, Lubienski (2007) offers us a glimpse into what might be taking place in these competitive school environments. He found that schools operating in programs targeting disadvantaged students have strong incentives to avoid servicing the neediest students within those populations and target the highest academic performers available in order to improve their market position. The result, he argues, is the development of educational marketing (Lubienski, 2007). While the information generally provided by public schools center on organizational outputs required by states in annual reports both private schools (private institutions that receive no government funding) and charters provide marketing materials that place emphasis elsewhere:

[P]rivate schools employ a relatively strong emphasis on more emotional themes such as community, religious values, and patriotism. Charter schools offer more commercialized materials in which they choose not to employ the information required of public schools in their annual reports. They are more likely to stress academic programs and themes, often in differentiating themselves from (perceptions of) public schools or equating themselves with private schools: character education and morality, safety, uniforms, patriotism, and their tuition-free nature. (Lubienski, 2007, p. 130)

In the face of market uncertainty and top-down accountability pressures, private actors appear to face strong incentives to introduce marketing techniques to target specific populations and help “shape” their student bodies. Cream-skimming, as the process is known, makes it easier for schools to reach academic benchmarks and, in the for-profit arena, enables schools to lower input costs and increase profitability. Most relevant to the discussion at hand, it is important to note that the messages used to target high-achieving student populations (or more specifically their families) stress traditional methods, values, and curricula over innovation.

Turning to evidence outside the USA, the research literature available on the relationship between school competition and educational innovation is extremely limited; however, what evidence is available points toward similar conclusions as the research literature in the USA. Like the USA, there is significant evidence that the market-based approach in Sweden, Denmark, New Zealand, Chile, and the UK are strongly associated with the segregation of students

along class and ethnic lines (Söderström & Uusitalo, 2005; Bifulco & Ladd, 2007; Rangvid, 2007; Saporito, 2009; McEwan, Urquiola, & Vegas, 2008), and there is evidence of isomorphism. Lubienski's review of the research literature from the U.S., the U.K., Chile, and New Zealand finds that competitive pressures lead to a standardization of classroom practices toward traditional teaching and curricular practices (Lubienski, 2006). Looking at the U.K.'s experiment with school choice that began in the 1980's, Woods, Bagley, and Glatter (1998) find that there is significant pressure on schools to conform to traditional ideas on what constitutes a quality education:

Indeed, there are indications of innovation being curbed sometimes because of a reluctance to appear to step outside the dominant model of the high status school, and/or for fear that certain forms of diversity (such as too much emphasis on vocational education) might worsen a school's position in the local status hierarchy. (Woods et al., 1998, p. 211)

Widely held perceptions of what constitutes high-quality, innovative teaching trend toward traditional educational practices thus creating strong incentives for educational providers in a competitive environment to adopt those practices. Noting a similar lack of educational innovation in the Chilean voucher system, Gauri (1998) attributes this standardization to the parental decision-making process:

Simply put, parents often do not seek educational innovation. Education serves a variety of functions, only one of which is academic achievement. Although nearly all parents send their children to school in order that they learn, they assign varying importance to other priorities, such as safety, convenience, day care, familiarity with the values and social codes of their children's peers, and agreement with religious and moral teachings. In specific settings, parents willingly trade academic achievement or educational innovation for those other priorities. (p. 105)

Indeed, Schneider, Elacqua, and Buckley (2006) point toward the role of parent decision-making, social class, and cultural capital in the high degree of stratification in the Chilean system: "In short, as parents choose school in Chile, class—not the classroom—may matter more" (p. 578).

Looking at the research literature collectively, it appears as though the evidence available thus far, limited as it may be, points

toward some troubling conclusions. The primary innovation in administrative functions appears to be the development of educational marketing practices. In contradistinction to the R&D laboratory of educational innovation envisaged by the market-model, schools operating in competitive environments face strong incentives to eschew innovative (risky) classroom practices focusing instead on symbolic representation and marketing to shape their student bodies. A competitive educational marketplace would appear to provide strong incentives for education providers to “shape” their consumers and attract the highest performers in order to maintain market position and ultimately viability. The high costs of educating the lowest performers and the unpredictability of the many externalities that can affect their academic achievement create strong disincentives to service those students. As Lubienski (2006) notes, evidence that public-policy interventions are more effective in generating educational innovation may in fact stem from public institutions relative insulation from competitive forces: “Where innovation is important, as with pharmaceuticals and aerospace engineering, there typically is some degree of imperfect competition to allow firms the rents—the space and resources—to support long-term R&D” (p. 338). Thus far, the literature tells us that school competition creates structural barriers to educational innovation.

### **THE FLEXIBLE PUBLIC INSTITUTION: THE FINNISH MODEL**

Eschewing the ideals of competition and accountability common throughout the world, education policy and reform in Finland is rooted in a philosophy of equity and comprehensiveness (Sahlberg, 2006). Finland’s approach to education reform is built upon a commitment to educational equity and a strong belief in public schooling as a national institution vital to the continuation of the nation’s social democratic values in which all share responsibility. From this foundational understanding emerges an approach to introducing educational innovation, academic growth, and professional leadership into the educational sector that is informed by the ideal of a flexible public institution that fosters innovation and experimentation from the ground up. At the system level, the flexible public institution that emerges from the Finnish model is built on national education goals and local autonomy in determin-

ing the best approach to reaching them. It is a balanced approach which addresses national concerns that future generations receive the proper education and training to ensure the future functioning and success of society while also guarding against a top-down approach of standardization that stifles risk-taking and experimentation. The de-centering of decision-making processes to the school and classroom level is the key to introducing flexibility into public schooling as a national institution, and this de-centering places the onus of accountability on political participation and good governance to ensure success.

Over the past two decades, the idea of research-based teaching has been the organizing concept of teacher-education reform policies in Finland. This organizing principle is itself built upon the idea of a teacher as an autonomous professional responsible for making theoretically- and research-based educational decisions in his or her own classroom, including teaching methods, textbooks, and materials (Brueggeman, 2008, p. 4). Thus, teacher education in Finland employs a vertically integrated curriculum in which research methods courses are integrated into the three foundational threads of subject didactics, educational theory, and teaching practice (Westbury, Hansén, Kansanen, & Björkvist, 2005, p. 477). Beginning their practice teaching experience in training and field schools early on in their programs, pre-service teachers engage educational theory, subject didactics, and educational research contextually, that is, within the process of teaching. "Thus there is practice teaching in every year and every study period, and every practice teaching period is combined with theoretical and research studies related to the topic of the practice period" (Westbury et al., 2005, p. 478). Teachers emerging from Finland's teacher education programs must demonstrate a mastery of their subject areas, theoretically- and research-based teaching practices, and the ability to employ research methodologies to address educational issues that emerge in their classrooms. Grounded in a commitment to equity, teacher education reform in Finland has sought to provide every classroom with a teacher not only well versed in their subject area and in instructional methods but also a teacher capable of engaging in practice-based research grounded in educational theory. It reflects a commitment to the ideal of providing all students with capable, autonomous professionals.

Indeed, the professionalism of Finland's teachers and edu-

cational leaders is the key to other reforms designed to introduce institutional flexibility into its public education system (Sahlberg, 2007). Concomitant with efforts to foster a research-based approach to teaching, Finland has sought to benefit from its professional development efforts by encouraging teachers and schools to continually adjust instructional practices and curricula to the changing needs of students and, ultimately, society. Teachers are encouraged to test out new strategies and conduct practical research in their classrooms so that instruction is geared toward the specific needs of their students. Political and educational leaders encourage school- and district-based research programs and professional development opportunities to ensure that innovative practices developed in individual schools and classrooms are widely shared and adopted where applicable. In short, Finland is attempting to institutionalize educational research and development by taking a clever “bottom-up” approach to continuous reform that benefits from its significant investment in teacher education.

This bottom-up approach to institutional organization is also reflected in Finland’s attempt to construct a system of intelligent accountability, an accountability framework centered around the ballot box. Finland’s move toward de-centralization and greater school autonomy has led to a sharing of accountability pressures between national leadership and local schools. The high degree of autonomy given to local districts and schools carries with it a direct accountability to the local community to ensure academic success. “This has created a practice of reciprocal, intelligent accountability in education system management where schools are increasingly accountable for learning outcomes and education authorities are held accountable to schools for making expected outcomes possible” (Sahlberg, 2006, p. 155). The means by which Finland assesses the academic success of its students further reflects Sahlberg’s “culture of trust.” While the Finnish National Board of Education provides teachers with assessment guidelines to measure student mastery of national curricular goals, assessment of student achievement is the responsibility of teachers and schools (Itkonen & Jahnu-kainen, 2007). The only national high-stakes assessment taken by Finnish students is the Matriculation Exam taken prior to entering the tertiary sector.

Prior to the 2000’s, Finland’s education system had been considered average by Western, post-industrial standards. In terms

of literacy, mathematics, and scientific reasoning, there was little that distinguished Finland from other Organization for Economic Cooperation and Development (OECD) nations in academic performance. However, in the past decade, Finland has excelled in international comparisons in all three of these measures. In reading, math, and science, Finland now outperforms not only the OECD average but also much larger and wealthier nations that have long histories with public education, such as Australia, Canada, France, Germany, the United Kingdom, and the United States (Programme for International Assessment 2003 Technical Report, 2003). Interestingly, Finland has been able to accomplish these academic gains while its education expenditures for primary and secondary education remain below the OECD average as measured by percentage of GDP (OECD Briefing Note For Finland, 2008).

Deemed by many the “Finnish Miracle,” this dramatic surge in academic achievement is attributable, in part, to Finland’s move to foster innovation in its education sector by de-centralizing educational decision-making to the school- and district-levels and by providing strong support systems to ensure the spread of innovative ideas and “best practices” (Sahlberg, 2006).

The [Finnish] education system . . . helped schools to make best practices universal, to encourage teachers and schools to consistently expand their repertoire of pedagogic strategies, to individualise learning for all students, to have schools adopt innovative approaches to timetabling and to deploy increasingly differentiated staffing models. . . . Finland also backed its schools up with strong support systems, helping to build networks of schools that could stimulate and spread innovation, collaborate with education authorities and each other and provide curriculum diversity, extend services and community support. (Schleicher, 2006, p. 9)

The recent success of Finland’s education sector is largely the result of the creation of a flexible structural framework coupled to strong support systems that ensure the availability of educational resources, well-qualified teachers, professional development opportunities, and networking capacity. The result is a high quality education sector that exhibits minimal stratification of educational opportunity and that has helped to position Finland as a world leader in both education achievement and economic competitiveness (Sahlberg, 2007).

In the Finnish model, individual schools are the primary engine of educational innovation. The de-centering of decision-making processes to the school level allows for “flexibility in the curriculum, in the organization of work in schools, in using various teaching and learning arrangements and in reporting on progress and achievements” (Sahlberg, 2006, p. 273). Creating and protecting a space for experimentation, research and risk-taking in schools fosters educational innovation in teaching practices, curricula, and administration. Thus, at the classroom level, the de-centering of decision-making processes to the school level empowers teachers as being change agents, and it positions their classrooms as laboratories for educational development. “Teachers who are catalysts of learning in the knowledge society. . . [are] provided with incentives and encouraged to make their work place and classrooms creative learning organizations where openness to new ideas and approaches flourish,” and the dispersion of those ideas between classrooms and schools is encouraged by creating a space for teacher collaboration and professional development (Sahlberg, 2006, p. 273). From the evidence available on the Finnish experience with education reform, it would appear to be the case that de-centralization of educational decision-making coupled with strong support systems is the correct formula for fostering educational innovation (Sahlberg, 2007).

However, as with all such general statements, there are important caveats and considerations that require due diligence. The first of these relates to what can be called the sociology of educational achievement. Finland is a small, relatively homogenous nation of approximately 5 million people with a strong sense of national solidarity, a strong tradition of good governance and democratic participation, and a cultural context that holds educational attainment and the teaching profession in high regard (Sahlberg, 2007, pp. 156-159). Thus, in a Weberian sense, the success that the Finnish education sector has enjoyed in international comparisons can be attributed to a close correspondence between the educational reform policies pursued in the 1990’s and the socio-cultural milieu in which they were situated. Along similar lines, the research literature available thus far often assumes that Finland’s educational success is directly related to educational innovation at the instructional level. At this stage, in light of the inadequacy of the research literature, that assumption remains more speculative than empiri-

cal and in need of further research. In short, Finland offers educational experts and policy-makers an alternative model to current international trends in education reform. However, the “Finnish Miracle” should not be viewed uncritically, nor should experts and policy-makers assume that it would be wise to adopt Finnish policies wholesale without regard to the cultural, social and political context in which they would be implemented.

## **HARD-WIRING INNOVATION: LESSONS LEARNED AND THE ROAD AHEAD**

Thus far, we have examined the research literature on two very different approaches to “hard-wiring” innovation into the education sector. Two tasks now remain. First, a review of the lessons learned in the previous comparison is in order. Based on the best evidence available, what are the characteristics of an innovative education sector? What general reforms should policy-makers pursue in order to institutionalize innovation? Second, it would also be prudent to identify gaps in our knowledge in order to generate new research on education policy reforms and innovation. What do we need to know?

From the comparison of market-based reforms to Finland’s flexible public institution reform model, three general characteristics of an innovative education sector emerge. The first characteristic of an innovative education sector finds justification in both approaches to reform examined in this essay and that is the decentralization of educational decision-making. This is most apparent in Finland’s balanced approach between setting national goals and providing for local autonomy in developing the best organizational, curricular, and pedagogical practices for achieving those goals. Finland’s move away from the highly centralized education sector of the 1970s and 80s has created a flexible public institution that encourages innovation. However, Huerta (2009) also notes the benefits of de-centralization in creating space for schools to meet the specific needs of their student populations. In this case, Huerta (2009) points toward a charter school program that demonstrates a potential for creating a school structure that meets the needs of Hispanic and immigrant communities in California. The lesson appears to be that innovation is a process that benefits from a de-centralized model in which new ideas and practices emerge from the bottom-

up. For policy-makers, this would mean pursuing reforms that decentralize educational decision-making over instruction, curricula, and organizational structure to the district and school levels.

A second characteristic of an innovative education sector relates to risk taking. Fostering educational innovation appears to require that policy makers create institutional space for risk taking on the part of education actors. Teachers need to feel empowered to experiment with new pedagogical or curricular approaches just as local administrators need a certain level of institutional safety in order to experiment with new approaches to school organization, timetables, and student services. In this regard, it is important to note that market-based reforms introduce uncertainty into the educational marketplace by design. In nations that have attempted to foster an educational marketplace, schools contend with not only the pressures of a competitive marketplace but also the pressures of external accountability systems that limit the willingness of education actors to take risks. This aspect of market-based reform appears to create a practical barrier to innovation. Fostering innovation requires that policy-makers create institutional space and incentive structures for risk-taking on the part of education actors.

A third characteristic of an innovative education sector is a strong support system to encourage risk-taking on the part of education actors and to spread innovations throughout the system. At the most basic level, a strong support system demands that policy makers ensure that material resources are adequately provided for student learning and that those resources are distributed equitably. Further, if innovation is to “bubble up” from the school and district levels, an innovative education sector must be built upon the foundation of professional teaching and administration. Policy makers must ensure that public schools are populated with teachers and administrators who possess the professional skills and training to identify issues as they arise, develop strategies to address those issues, and employ research methodologies to assess the efficacy of different strategies. To ensure that innovations generated at the school level are spread throughout the system, policy makers need to foster the development of school networks by providing ample opportunities for continuous professional development, collaboration, mentoring, and training programs throughout the system. De-centralization and risk-taking are powerful engines for innovation, but to generate benefits at the system and national levels, there

must be some institutional mechanism to encourage the spread of innovation on a larger scale.

Turning now to the road ahead, there are three general areas in need of attention from the academic community. First, there is a clear need for some foundational work. The concept of educational innovation is an ambiguous term in need of clarification. There is a great deal of discussion about innovation in educational discourse, but very little attention is paid to what is meant by it. This requires not only a detailing of the characteristics of innovative educational practices at the administrative, curricular, and instructional levels, but also an articulation of a "should be" from which policy can take a general orientation. Further, the ambiguity of the concept of educational innovation often leads to a tacit assumption that "innovation" is always a desirable goal of education policy without a clear articulation of the positive role innovation can play in raising the overall academic achievement of an education sector. In short, there is a need to clearly define the concept of educational innovation and to articulate the role educational innovation can play in fulfilling the societal goals associated with public schooling.

Second, there is a clear need for better data on innovation in competitive educational markets. The lack of evidence justifying market-based reforms appears to beg the question as to whether the failure of market-based reforms to institutionalize innovation is the result of an inherent feature in the nature of markets or if it is the result of contradictions between a market approach in combination with a centralized accountability system. However, it is important to remember that all markets, to varying degrees, are regulated markets and are, therefore, subject to some form of centralized accountability regime no matter how limited. Attributing features or characteristics to the inherent "nature" of markets, in fact, begs the question of which markets? What kind of markets? What is the relation of any one educational market to policy structures and the political state? It would appear that researchers need to eschew broad, necessarily ambiguous conceptualizations of "markets," adopting instead a more nuanced approach to examining market-based reforms that account for differentiated policy inputs and resource allocation.

Thus, our understanding of the relation between competition and innovation would be advanced considerably by a systematic study of the organizational, curricular, and pedagogical innova-

tions either present in or emerging from mature educational marketplaces. What is happening on the ground in individual schools and classrooms? How do educational actors (ie. teachers, administrators, parents, students, etc.) view innovation? Do they see innovation emerging in their schools? If so, where and in what form? What policy inputs either contribute to or throttle educational innovation? How?

The most obvious location for carrying out this kind of work would be in Chile. With an almost thirty year history with a national voucher system, Chile has one of the most mature educational marketplaces in the world. If there is indeed a “natural” relation between markets and innovation, as many advocates of market-based reforms claim, then Chile should demonstrate a high degree of specialization and innovation in administrative, curricular and instructional practices. Further, the maturity of Chile’s educational market would make for an excellent test case for evidence of educational marketing. Could it be the case that current trends toward educational markets foster the wrong kind of innovation? The USA has a much shorter history with educational markets but there are several localized experiments with charter school competition in Chicago, New Orleans, and the District of Columbia that are maturing and could provide further evidence of innovation in competitive markets.

Finally, Finland’s success in academic achievement is well documented quantitatively. What needs to be established is the role that innovation plays in that success and what educational innovation looks like on the ground. Much of the research cited in this essay has attributed a great deal of Finland’s educational successes to its ability to “hard-wire” innovation into the educational sector; however, this causal relationship requires further interrogation. There is a clear need for qualitative data on how education actors in Finland define innovation. How much importance do education actors assign to innovation? What is taking place in classrooms? What does innovation look like? What institutional supports are operative in schools to foster experimentation, research and information sharing? In short, the research literature on the “Finnish miracle,” while extremely promising, remains incomplete. Qualitative data is desperately needed to provide depth to our existing knowledge on education reform in Finland.

At this point, the correct path toward “hard-wiring” innova-

tion into the education sector is far from clear. However, it appears that the “natural” relationship between competitive educational markets and innovation asserted by advocates of market-based education reform fails to find justification in existing research literature. It would appear that the accelerating pace of market-based reforms throughout the world is wrong-headed in regard to spurring innovation. On the other hand, Finland demonstrates the potential for offering policy-makers an alternative model for fostering educational innovation, but much work remains to be done. In light of the evidence that current trends in international education policies are misguided, it is imperative that researchers seek out other possibilities and propose new ways forward.

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