INSTITUTIONAL PLURALISM: BALANCING STATE, MARKET AND CIVIL SOCIETY LOGICS IN THE EDUCATION SYSTEM

Jurayev Alisher

Senior Lecturer, University of Business and Science, Namangan, Uzbekistan; PhD in Philosophy, Email: alisherumida1987@gmail.com

Abstract. The paper develops a socio-philosophical concept of institutional pluralism as a principle for organising modern education systems. Drawing on the theory of institutional logics, new institutionalism, theories of the non-profit sector and Habermas's distinction between system and lifeworld, it argues that education is a field where the logics of the state, the market and civil society meet, and that none of them can sustain the system alone. Institutional pluralism is defined as the legally recognised coexistence of these logics, in which none dominates absolutely and each restrains and complements the others. The non-state sector and public-private partnership are shown to be the main institutional forms of this pluralism. The liberal, social-state and communitarian-developmental models of education are interpreted as different balances of the three logics. Applied to Uzbekistan, the framework shows that the balance has shifted in favour of state logic, so that partnership operates within an "administrative-distributive" logic reproduced by a "vicious circle" of ambiguity, discretion, opacity and distrust. The paper proposes restoring the balance mainly by building civil society into the partnership structure.

Keywords: institutional pluralism; institutional logics; education system; non-state sector; public-private partnership; civil society; socially embedded market; Uzbekistan

Introduction. Education systems worldwide have moved away from a model in which the state is the sole provider. Private schools and universities, non-profit organisations, foreign university branches and public-private partnerships (PPP) now exist alongside public institutions. According to Levy (2018), almost one third (32.9%) of the world's higher education students study in private institutions, and 97.6% study in dual systems where public and private sectors coexist. This raises a question that is both practical and philosophical: on what principles should the relationship between the actors who now share responsibility for education be built?

Uzbekistan is a vivid case. Its post-Soviet education system was centralised, but after 2017 non-state institutions, foreign university branches and PPP projects in preschool education developed rapidly, and a legal basis for partnership was created. Yet the direction of this transition is still open: it may lead towards commercialisation, towards institutionalised social partnership, or towards a combination of state strategy and collective responsibility.

National studies have examined education mainly within the state system; its relations with the market and civil society have been studied in economics and political science, but

not from a socio-philosophical standpoint of values, justice and institutional change. This paper aims to fill this gap. It presents the concept of institutional pluralism as a balance of state, market and civil society logics, shows how it explains the place of the non-state sector and PPP, and applies it to education reform in Uzbekistan.

Literature Review and Methods

We treat education as a social institution: a historically formed, stable system of norms, values, roles and organisations meeting vital needs of society. For North (1990), institutions are the "rules of the game", formal and informal, while organisations are the "players". Modernising education therefore means not only admitting new players, such as non-state schools, but also renewing the rules.

The key concept is "institutional logics". Friedland and Alford (1991) see society as an ensemble of institutions (state, market, family, religion), each carrying its own logic of practices, symbols and values, and these logics often contradict one another. Clark's (1983) "triangle of coordination" interprets national higher education systems as a balance between state authority, the market and the academic oligarchy. Esping-Andersen (1990) distinguishes welfare regimes by how tasks are divided between the state, the market and the family. His typology is not applied to education directly, but it shows that national differences rest on deep value-based ideas about state, market and individual.

Non-profit theories explain why non-state actors appear in education. Weisbrod's (1975) "government failure" theory holds that a democratic state adjusts public goods to the "median voter", leaving specific needs unmet, which non-profit organisations then fill. Salamon (1987) added "voluntary failure" (insufficient resources, particularism, paternalism, amateurism) and concluded that the state and the third sector are complementary partners rather than rivals. Similarly, Osborne's (2006) "New Public Governance" sees the state as the coordinator of a network of public bodies, non-profits, businesses and citizens who co-produce public services.

Two ideas give the concept its normative side. Polanyi (1944) regarded the self-regulating market as a utopia and argued that the economy must remain "embedded" in society. Habermas (1981) warned against the "colonisation of the lifeworld", that is, the subordination of spheres based on mutual understanding to the logic of money or administrative command.

Methodologically, the study rests on dialectics, which treats modernisation as a process driven by contradictions: between tradition and renewal, state and market, justice and efficiency. Dialectics is supplemented by systemic, synergetic, institutional, axiological, communicative and comparative approaches. The empirical basis includes Uzbek laws, presidential and government acts, official statistics, international reports and an independent study of PPP in preschool education. These sources are examined through content analysis, comparative legal analysis and the generalisation of secondary statistical data.

Results and Discussion

The three logics. We distinguish three main logics that intersect in education:

• State logic rests on legality, hierarchy, equality and social guarantees; its strength is universal access, its weakness inertia and bureaucratisation.

• Market logic rests on competition, efficiency and consumer choice; its strength is flexibility and innovation, its weakness the risk of deepening inequality.

• Civil society logic rests on voluntariness, trust, solidarity and the public interest; its strength is closeness to local needs and social capital, its weakness limited resources.

A system built on one logic alone fails predictably. A purely state-based system, as Soviet experience showed, ensures coverage but restricts initiative; a purely market-based one turns education into a commodity; civil society alone cannot provide resources or uniform standards. In Habermas's (1981) terms, state monopoly amounts to the colonisation of education by administrative power, and full commercialisation to its colonisation by money.

The concept. We therefore argue that a modern education system should rest on the balance of the three logics rather than on the dominance of one. By institutional pluralism the author means the coexistence of the institutional logics of the state, the market and civil society in education, in which none dominates absolutely and all operate in a legally recognised way, mutually restraining and complementing one another. The state limits the market's tendency towards stratification, civil society limits the closed and bureaucratic character of the state, and the market limits the inertia of both. The functions of education explain why such a balance is needed. The professional-economic and innovative functions can be performed effectively with non-state participation, whereas cultural reproduction, integration and fair social selection require active state involvement. This differentiation is the objective basis of what the author calls the partnership function of education: uniting the interests of the state, business, the family and civil society around quality education open to all.

Forms of pluralism. The non-state sector and PPP are the main forms of institutional pluralism. The non-state sector, meaning all commercial and non-profit actors providing education outside state ownership and management, brings civil society logic, and partly market logic, into education. The Law "On Public-Private Partnership" defines PPP as legally formalised, fixed-term cooperation between a public and a private partner based on pooling resources (Law No. ZRU-537, 2019, Art. 3), and Article 4 sets out the equality of the parties. Vertical relations of power are thus supplemented by horizontal, contractual ones, and PPP harmonises state and market logics on a contractual basis. We regard the dialectical unity of competition and partnership as the internal mechanism of pluralism: competition brings dynamism, while partnership preserves common goals and social guarantees.

Pluralism must also exist inside partnership. The author distinguishes three layers of partnership subjects: the contracting parties, the direct users (learners, parents, teachers)

and civil society institutions. Without the third layer, partnership risks becoming a "closed" deal between an official and an entrepreneur that bypasses the public interest. In a polysubject model the state expresses the public goal, the private sector efficiency and innovation, and civil society openness and justice. This links pluralism with the author's principle of the "socially embedded market", which applies Polanyi's (1944) idea to education. Justice, quality and openness serve as boundary conditions, and efficiency is pursued within them. This is "fair efficiency": a project that violates justice is unacceptable however financially efficient it may be.

Models as balances of logics. Clark's (1983) triangle is consistent with institutional pluralism, but it represents civil society only through the academic community; we see this as a limitation when the non-state sector is analysed. Using four criteria (the role of the state, the share and status of the non-state sector, the dominant form of interaction and the value basis), the author identifies three models as different balances of logics. In the liberal (Anglo-American) model, the state mainly funds and regulates, the non-state sector is a large and equal component, interaction takes the form of competition and contractual partnership, and the value basis is individual choice. In the social-state (continental European) model, the state remains the main provider and guarantor, and the non-state sector is small but publicly funded; partnership is corporatist and the value basis is solidarity and equality. In the communitarian-developmental (East Asian) model, the state acts as strategic developer, the non-state sector is significant (especially in higher and supplementary education), partnership is informal and trust-based, and the value basis is collective responsibility and meritocracy. These models are now converging, and mixed forms combining all three logics are emerging in each. This supports institutional pluralism, though convergence does not erase national differences.

The case of Uzbekistan. The reforms have created formal institutions of pluralism. Presidential Resolution PP-3276 of 15 September 2017 named fair competition between state and non-state institutions a priority tool for raising quality. It also required at least 10% of pupils in non-state preschool and general secondary institutions to be gifted children from socially vulnerable families, admitted competitively and taught free (Resolution No. PP-3276, 2017, para. 4). We interpret this as the principle of "privileges in exchange for social obligations". Preschool education became the main testing ground for PPP: family-based non-state kindergartens became the most widespread form, and 1,850 agreements were concluded under nine other forms (Yuksalish Nationwide Movement & Anti-Corruption Agency, 2023, p. 9). In general secondary education the sector is still small: non-state schools made up only 0.4% of all schools in 2017 (Resolution No. PP-3276, 2017, official commentary), and the updated "Uzbekistan–2030" targets aim to raise the share of non-state organisations from 6.3% in 2025 to 10% in 2030 (Decree No. PF-21, 2026, Annex 1).

The independent survey of 413 respondents in seven regions, however, reveals a gap between the idea of partnership and its institutional form. Partnership in preschool

education is regulated by more than 50 normative acts; 53% of entrepreneurs do not consider competitions open and impartial, and 70% do not know how to appeal a commission's decision (Yuksalish Nationwide Movement & Anti-Corruption Agency, 2023, pp. 12–13, 26–27). Some 47% reported unilateral changes to signed contracts by state bodies (p. 28). More than 54% of district authority representatives would assign ethical and anti-corruption oversight to the Anti-Corruption Agency, while very few would entrust it to the mahalla or parents (p. 31).

We conceptualise these problems as a "vicious circle": legal ambiguity widens discretion, discretion creates opacity, opacity destroys trust, distrust pushes participants towards personal connections, and informal practice undermines formal rules and makes them still more ambiguous. The common root is that partnership is implemented within an "administrative-distributive" logic, in which privileges are distributed hierarchically by administrative decision and relations are built as vertical subordination rather than horizontal contract. The balance of institutional pluralism is distorted in favour of state logic, and civil society logic is very weak. These problems are not a failure of reform but a natural result of moving from creating formal institutions to harmonising them with informal ones.

The author's concept aims to move partnership from administrative-distributive to "social-contractual" logic. Education is understood as a social good co-created by the state, the non-state sector and society, so responsibility shifts from the state alone to a socially guaranteed shared responsibility. The state does not withdraw but becomes the guarantor of quality and openness, in line with UNESCO's (2021) view that publicly funded education need not be delivered only by public institutions, provided that equity trade-offs are openly acknowledged. Crucially, balance is to be restored not by strengthening market logic but primarily by building civil society logic into partnership. Proposed mechanisms include supervisory boards of parents, mahalla and employer representatives; public representatives on project-selection commissions; state grants to non-profit organisations for independent quality monitoring; and annual public hearings on partnership projects.

Limitations should be noted. Salamon's (1987) "voluntary failure" warns that civil society may lack resources or serve narrow interests, so its inclusion requires clear rules and accountability. The empirical evidence for Uzbekistan comes mainly from preschool education and from a study focused on corruption risks, which may over-represent problems. Data on outcome justice for graduates of non-state and partnership institutions are not yet systematically collected.

Conclusion. The sustainable development of education depends on the balance of state, market and civil society logics, that is, on institutional pluralism. The non-state sector and PPP are its main forms, and the unity of competition and partnership is its internal mechanism. The liberal, social-state and communitarian-developmental models represent different balances of the three logics, and their convergence supports the pluralist approach. In Uzbekistan the balance is distorted in favour of state logic, so partnership operates within

an administrative-distributive logic reproduced by a vicious circle of ambiguity, discretion, opacity, distrust and informality.

We recommend restoring the balance mainly by including civil society in partnership governance through supervisory boards, public participation in project selection, grant-funded independent monitoring and public hearings, while keeping the state's role as guarantor and embedding market mechanisms within rules of justice, quality and openness. Future research should develop indicators for measuring the balance of logics, collect data on the outcomes of non-state and partnership institutions, and extend the analysis to general secondary and higher education.

References

Clark, B. R. (1983). The higher education system: Academic organization in cross-national perspective. Berkeley: University of California Press.

Decree of the President of the Republic of Uzbekistan No. PF-21 "On additional measures to consistently continue reforms and take them to a new stage within the priority directions of the country's development until 2030". (2026, February 16). Retrieved from https://lex.uz

Esping-Andersen, G. (1990). The three worlds of welfare capitalism. Princeton: Princeton University Press.

Friedland, R., & Alford, R. R. (1991). Bringing society back in: Symbols, practices, and institutional contradictions. In W. W. Powell & P. J. DiMaggio (Eds.), The new institutionalism in organizational analysis (pp. 232–263). Chicago: University of Chicago Press.

Habermas, J. (1981). Theorie des kommunikativen Handelns [The theory of communicative action] (Vols. 1–2). Frankfurt am Main: Suhrkamp.

Law of the Republic of Uzbekistan No. ZRU-537 "On Public-Private Partnership". (2019, May 10). Retrieved from https://lex.uz

Levy, D. C. (2018). Global private higher education: An empirical profile of its size and geographical shape. Higher Education, 76(4), 701–715. https://doi.org/10.1007/s10734-018-0233-6

North, D. C. (1990). Institutions, institutional change and economic performance. Cambridge: Cambridge University Press.

Osborne, S. P. (2006). The new public governance? Public Management Review, 8(3), 377–387.

Polanyi, K. (1944). The great transformation: The political and economic origins of our time. New York: Farrar & Rinehart.

Resolution of the President of the Republic of Uzbekistan No. PP-3276 "On measures for further development of the activity of providing non-state educational services" and official commentary to it. (2017, September 15). Retrieved from https://lex.uz

Salamon, L. M. (1987). Of market failure, voluntary failure, and third-party government: Toward a theory of government-nonprofit relations in the modern welfare state. Journal of Voluntary Action Research, 16(1–2), 29–49.

UNESCO. (2021). Global education monitoring report 2021/2: Non-state actors in education: Who chooses? Who loses? Paris: UNESCO.

Weisbrod, B. A. (1975). Toward a theory of the voluntary non-profit sector in a three-sector economy. In E. S. Phelps (Ed.), Altruism, morality and economic theory (pp. 171–195). New York: Russell Sage Foundation.

Yuksalish Nationwide Movement & Anti-Corruption Agency of the Republic of Uzbekistan. (2023). Davlat-xususiy sheriklik asosida maktabgacha ta'lim muassasalarini tashkil etish va faoliyat ko'rsatishida nohalollik va korrupsiya xavf-xatari omillarini baholashning yakuniy hisoboti [Final report on assessing the risk factors of dishonesty and corruption in the establishment and operation of preschool educational institutions on the basis of public-private partnership]. Tashkent.

