

## **Privatization and Neo-Liberalism: Ideology and Evidence in Rhetorical Reforms [1]**

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I have read and admired Michael Apple's work for almost three decades. His article, "Rhetorical Reforms: Markets, Standards, and Inequality" (this issue) is once again a strong critique of the right-wing ideology and practice that has dominated education over the last two decades. While I agree with much of its substance, there are several areas where I believe Apple's analysis is problematic, as I explain below. Before continuing, it is important to emphasize that for too long critics have sniped at each other to the detriment of a progressive agenda. Nonetheless, we must criticize our work in constructive ways if we are to move ahead and it is in this spirit that these comments are offered.

Let me begin by supporting much of Apple's overall argument: that underlying all educational debates are "competing visions of legitimate knowledge," (p. 16) supported by very unequal power; that the current emphasis on the free market and privatization is based on an "eloquent fiction" (p. 2) that has been assembled in new ways by an alliance of neo-liberal and neo-conservative forces; and that the upshot has been narrow and ideologically-based analyses of efficiency in education over broader views of what education does and what its role should be in achieving social justice.

My overall problem with Apple's analysis is how it is framed, particularly with respect to two broad issues: its characterization of privatization and the underlying neo-liberal paradigm; and the privileged position it gives to an essentially positivist belief in "convincing" research evidence.

### **What's Wrong with Privatization?**

An immediate question is: how can we focus a discussion on an important current issue in comparative education through a paper so centered on a U.K./U.S. view of markets and privatization? While the fallout from the Reagan/Thatcher era has marketed the privatization of education (and other government services) around the world, globally this has taken different forms within very different structures. We cannot understand privatization internationally if we ignore, for example, the global hegemony of World Bank and International Monetary Fund research and policy prescriptions forcing economic and educational reform; the global marketing of Chile's approach to vouchers; or the user-fees-for-public-schools version of privatization. It is not that Apple's paper should have tackled all these issues, but their neglect would be more understandable if their absence had been recognized instead of characterizing the "English experience" as the "most advanced" (p. 4) or as representative of reform in other nations (p. 9, 12).

Nonetheless, we can and do, of course, learn from the English experience, and particularly from Apple's connecting it to neo-liberal and neo-conservative ideology. However, I do not understand why Apple is repeatedly cautious in framing his discussion of privatization and other reforms. How can he say (emphases below added) privatization "may be a false hope" for giving opportunities to disadvantaged students

(p. 4); how could he approvingly quote Whitty (1997, p. 58) that "atomized decision-making in a highly stratified society may appear to give everyone equal opportunities" (p. 4); or that "in practice neo-liberal policies involving market 'solutions' may actually serve to reproduce--not subvert--traditional hierarchies of class and race" (p. 4)? Who is meant to be surprised at the latter statement or surprised that privatization has not "radically altered the relations of inequality that characterize schooling" (p. 5)? How can he quote Gipps and Murphy (1994, p. 209) regarding the speed of test development and implementation as having left "little time to carry out detailed analyses and trialing to ensure that the tests are as fair as possible to all groups" (p. 12)? Who is Apple talking to here? The World Bank? Critics? Who from a critical perspective thinks that the push toward testing can be fair or that privatization has anything to do with providing more equal opportunities?

It seems that it is a mistake to frame a critical analysis in these terms, as if the World Bank and other proponents have a reasonable argument about, of all things, the equity of privatization. It is also a mistake to frame this as an empirical question which Apple's research summary can cast doubt upon (to be discussed further below). From a critical standpoint, two decades of privatization policies are mechanisms to retain the advantages of national and global capital by further stratification, with hardly a meritocratic pretense to serve as a cover to legitimate greater inequality. In practice, there is hardly even the cover of efficiency rhetoric. For example, the voucher "experiment" in Milwaukee, and the one pending in Florida, both avoid testing the students using vouchers for private schools, thus not even pretending to justify privatization by showing higher student achievement.

Privatization of schools is part of a privatization free-for-all that capital and its allies have had the circumstances to exploit. I was surprised to learn recently that the new government of the State of Florida, under complete Republican control for the first time since the post-Civil War era, is quietly scrapping ten years of school accountability legislation that has been held up as a model for the U.S. and exported around the world. Why would the neo-conservatives forfeit such control? The answer is that accountability legislation in Florida had representation by teachers and citizens--the Republicans want only their brand of accountability, where they alone determine the rules for the State Department of Education. This free-for-all climate has led to large-scale efforts by pro-voucher business lobbies in the U.S. who see the potential to make lots of money from private schools--just like the multimillionaires who have profited from the Chilean system by providing a minimal cost education and pocketing the difference on every student they barely serve. [2] Even in cases like the Milwaukee experiment, where the initial focus was to give vouchers only to the poor, the entire effort was a Trojan horse. It now gives substantial subsidies to middle and upper class parents who have always sent their children to private schools, as designed by Republican politicians every bit as astute in their development of Northern forms of diffuse clientelism as their counterparts in the South.

### **Neo-liberal Rhetoric and Reality**

To understand educational reform it is important to understand the rhetoric and reality of neo-liberalism and neo-conservatism in which it is embedded. Apple's contribution to this understanding has been substantial (e.g., Apple, 1996). In this paper, however, I

think it a mistake to frame his analysis repeatedly as trying to reconcile the "seemingly contradictory discourse of competition, markets, and choice on the one hand, and accountability, performance objectives, standards, national testing, and national curricula on the other" (Apple, this issue, p. 2); or, more broadly, between deregulation and enhanced regulation. Although Apple's point seems to be that there is "no necessary contradiction" (p. 11), his repeated framing of the "oddness" (p. 6, 8, 13) in the simultaneous push for markets and for greater controls impedes understanding both as integral features of neo-liberalism.

From Adam Smith and mercantilism, to Keynes and the New Deal, to neo-liberalism and structural adjustment by the IMF, economic theory and practice have always been tied to the twin anchors of market and State. "Laissez-faire," even at the rhetorical level, was always based on strong State control of many dimensions of economic life. Historical discussion of liberalism, libertarianism, liberty, and freedom have, in practice, served to legitimate an array of different types of State intervention. The key feature of neo-liberalism is not its "commitment to a regulatory state" (p. 9) but how it has engineered and legitimated a departure from decades of a regulatory welfare state that had been fought for and developed to curb the worst excesses of capitalism's inherent need for inequality. [3] Neo-liberalism is the product and architect of a retrenchment and backlash that has not discredited all State intervention--just that based on a notion of our collective social responsibility to control class-, gender-, and race-based inequality through policies like the New Deal, the War on Poverty, or affirmative action. [4]

Neo-liberalism to me does not, as Apple suggests, represent a shift from "homo economicus" to "manipulable [hu]man" (this issue, p. 6)--capitalism and the State have always seen people as manipulable. While philosophers may have been serious, concepts of liberty and freedom in practice were always used to manipulate the types of controls placed on individuals (Olssen, 1996). The idea that the neo-liberal state "seeks to create an individual who is an enterprising and competitive entrepreneur" (Olssen, 1996, p. 340 quoted by Apple in this issue, p. 6) is not interesting because of some new State interest in manipulation, [5] but because it is an integral part of neo-liberalism's attempt to delegitimize government and disengage government and society from any collective responsibility for social welfare.

When it became apparent in the 1980s that the global economy was not going to be more successful at creating decent employment and living conditions than nationally-based economies had been, the World Bank and others discovered the "informal sector." Here, supposedly, people miraculously develop their own opportunities, relieving the pressure on the formal capitalist economy to address employment, poverty, and inequality. This was enshrined in endless discussions of policies for educating and training "entrepreneurs" to generate their own jobs. Most recently, this view has been enshrined again--this time in paeans of praise to micro-credit schemes that will turn everyone, especially rural women in the newest gender twist, into capitalists. Give people a little enhanced human capital through basic education and training, add a few dollars of micro-credit, and presto--they too can succeed in the jugular marketplace of the global economy. If, however they do not succeed, what is to blame but their own insufficient foresight to plant the right crops, use the right technology, or invest in the right pension scheme. [6] What nonsense--more blame-the-victim legitimization.

### Who's Got the Proof?

I am sure that Apple would agree with the bulk of these arguments. Yet framing privatization and neo-liberalism as a debate about freedom and regulation usurps attention from much more centrally contested terrains. Similarly, I think it is a mistake to frame the two decades of neo-liberal policies toward privatization in education as a debate about evidence. Apple tries hard to convince us that while "quite flawed research" has "served as a rhetoric of justification for preconceived beliefs" (this issue, p. 3) to support privatization, the evidence he presents against privatization is very good. He argues that Whitty (1997) has done "perhaps the most comprehensive review of all of the evidence on marketization" (Apple, this issue, p. 4) and that the research of the other opponents of privatization he cites are based on "extensive analyses" (p. 5) or "extremely thorough review" (p. 12), concluding that this research "has enabled the rearticulation of claims to social justice on the basis of solid evidence" (p. 13). Apple, of course, is far from alone in trying to refute empirically the army of nonsense research served up by dominant interests. But it seems increasingly evident to me that this type of exhortation convinces neither critics nor advocates of anything and we must take a different tack.

I do understand that we must continue to contest the awful, supposedly "empirical" research on which neo-liberal ideology is promulgated. I have done that for a living. I remember how happy Gail Kelly was to meet me in the early 1980s after I had critiqued, in excruciating detail, the conceptual and methodological flaws in an article submitted to Comparative Education Review (CER) by a World Bank staff person. The editors of CER were (and still are) inundated by quantitative causal-model-based research that is bankrupt in its own terms. Yet there are few reviewers who can offer such critiques. [7] Each year the students in my regression analysis course make disappear the supposedly significant advantage in student achievement that James Coleman found for private schools over public. They do it by using a better model in Coleman's own terms and with his own data set. Even apparent logical and consistent findings of this research genre are untrustworthy. For a presentation at the Comparative and International Education Society meetings, I once reviewed the research on the cost-effectiveness of textbook provision, conducted by established researchers. This research was so flawed and contradictory in its own terms that it should never have been accepted for publication, let alone serve as the basis for two decades of exhortations by the World Bank and others that textbooks are the miracle input for schools. As I have said elsewhere, the fault does not rest with these authors in particular--it is the regression analysis-based, scientific-positivist approach to empiricism that allows any researcher to find any results that please him or her (Klees 1994; Easton and Klees, 1990).

We critics, of course, have a responsibility to deconstruct flawed research. But we must change the terms of the discussion--progressives are not gaining ground by demonstrating the failures of "their" regressions and pointing out the success of "ours" (or even of our ethnographies). They can "out-regress" us at every turn--especially the juggernaut of World Bank research-- which, taken alone, probably has staff, access to data, and time greater than the combined research possibilities of all the critics around the globe. For Apple or others to challenge the evidence on privatization or other reforms is a Sisyphean task that only convinces the convinced. And while I do not want to go too far with postmodernism, our evidence is not much, if any, better than theirs.

Moreover, their evidence is irrelevant to their beliefs anyway. Martin Carnoy tells the story of returning to the University of Chicago after completing his Ph.D. there and having a short, no-agenda visit with Milton Friedman. Friedman, who was on Carnoy's committee and knew of Carnoy's radical leanings, started a monologue on how the "Seven Sister" oil companies' behavior mirrored that of a competitive market and therefore was efficient. Carnoy was so startled by the topic and the logic that he just sat there in amazement. He realized afterward that to point out the absurdities in this argument, he would have had to stop Friedman after the first few sentences. Once Friedman's assumptions were set, he was off and running. Similarly, the work of Friedman's mentor Frederich Hayek begins by assuming a very narrow view of the meaning of freedom and liberty and ends up supporting an extremist version of *laissez-faire*. Keynes commenting on Hayek's work reached the same conclusion as Carnoy on Friedman: "it is an extraordinary example of how starting with a mistake a remorseless logician can end up in bedlam" (quoted in Olssen, 1996, p. 345).

This is a key problem in our debates about social policy. The positions of Friedman, Hayek, the World Bank and the IMF have no relation to evidence. Theirs is a remorseless logic in the service of an ideology. Assuredly they would say the same of my views, those of Apple, Carnoy, and other critics, and perhaps the sense in postmodern debates should allow us to acknowledge this too. [8] While again I do not wish to carry this argument too far, it seems clear that we will not make much progress contesting each piece of dominant paradigm evidence. We must lay to rest the logic of such proof and move on to public policy debates that incorporate a very different logic, one that recognizes the limits of expertise and one that reflects that different views of "evidence" can only be applied within democratic participative processes that give voice and power to those currently treated so inequitably.

### **Markets and our Future**

The idea that the market can solve our social problems is ludicrous--to survive on this planet with billions of people in the twenty-first century requires a level of global sensitivity and coordination rarely even discussed (Rosell, 1999). To survive well and equitably requires assuming collective responsibility for our future, not leaving it to some quasi-religious pursuit of "free markets." Of course, individuals must act in all sorts of markets, but these markets need to be explicitly circumscribed by social interests. Greater cooperation among and between every level from local to global does not mean the absence of competition. Even in education, markets can be useful. In fact, although Apple is correct to say that, in general, reliance on the market in education "did not encourage diversity in curriculum, pedagogy, organization, clientele, or even image" (p. 9), there have been some positive examples in which market mechanisms designed to foster choice within public schooling did encourage all these things. In the Alum Rock School District voucher experiment in California in the early 1970s, and in the East Harlem experiment in the late 1980s and early 1990s, the conscious structuring of mini-schools within schools, each organized by teachers and principals with their own philosophy, led to a blossoming of alternatives and engagement by all involved (Nathan, 1989).

Rather than leaving social welfare to the presumed magic of an impersonal atomistic

market, these educational efforts were successful because the institutions were redesigned through collective (i.e., governmental) will and action that helped develop real choices within which regulated competition and cooperation could occur. [9] Given the new global hegemonic discourse and practice of the right, we sometimes forget the many examples of and potential for transformation that are around us. As Michael Apple's work has reminded us for decades, we must contest that hegemony and nurture these alternative possibilities.

### Endnotes

**[back]** [1] This is a slightly revised version of the paper from the one originally put on-line for April

30, 1999 issue of CICE. Due to some editing problems, this revised version was substituted

on-line for the original one on June 1, 1999. If you downloaded or printed a copy of this paper before that date, please replace it with this version. The author would like to thank

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comments on a draft of this paper.

**[back]** [2] For interesting reviews of the Chilean experience see Carnoy (1997) and Collins and

Lear (1995).

**[back]** [3] I am more hopeful about the progressive nature of welfare state reforms which I see, at

least in part, as resulting from genuine gains by oppressed classes than my more reproductionist-oriented colleagues who see capital as always winning whether promoting

affirmative action or structural adjustment.

**[back]** [4] See Boron's (1991) excellent analysis of how what appears to be neo-liberalism's

"virulent anti-statist offensive" (p. 139) is in reality an attack on the demands made by a democratic state. Instead, neo-liberalism is supportive of a highly regulatory authoritarian

state that imposes the types of "accountability" controls Apple discusses for education--but

not because such accountability data is needed by consumers "to make markets work" (Apple, this issue, p. 10), but because it is useful to legitimate further stratification in the interests of capital.

**[back]** [5] Indeed, the creation of entrepreneurs is simply the newest version of an educational

paradigm based on modernization, human capital, and development.

**[back]** [6] Woolcock (1999) offers some interesting cases of the failure of microcredit schemes.

[back] [7] For an interesting discussion of "what's a journal editor to do?" when faced with our world of conflicting paradigms, see Donmoyer (1996).

[back] [8] Patti Lather (1991, 1986) has, for many years, pursued in interesting ways this question of what it means to be open to data in research that is "openly ideological."

[back] [9] See Seddon (1997) for an interesting discussion of education, economics, and the progressive potential of institutional redesign.

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