Neo-Liberalism in New Zealand Education: a critique

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Introduction

Since 1984, a small political and business elite has exerted a substantial influence on ideological discourse and the formation of economic and social policy in New Zealand. This elite has espoused views and helped to implement policies that are radically anti-statist and have been shown to benefit the wealthy at the expense of the least well off. While this elite has helped to dismantle or restructure almost every aspect of the New Zealand State they are still very much in ascendancy. This current economic orthodoxy has already exerted an influence over the education sector in New Zealand. From 1989, schools have been administered in much the same way as businesses and there is competition between schools for funding based on student numbers. Though the pace of reform has slowed under the coalition government, ACT MPs, the Business Roundtable and many members of the National caucus, have expressed enthusiasm for a system of education vouchers and more open competition between schools for students. Although only a small minority of New Zealanders shares the views of the Business Roundtable, their opinions cannot simply be ignored. As John Deeks states, ‘confined as its membership is to the chief executives of New Zealand's major corporations, it is ideally placed to obtain a positive government response to its political initiatives’ (Deeks, 1992:5).

Although the current discourse represents a return to an ideological argument waged a century ago, new technologies of distribution, comparability, appraisal and surveillance make the marketisation of education more practically feasible and more destructive of teacher autonomy than ever before. Couched in the language of public choice theory and positivism, the 'market model' has gained theoretical currency in a country where the real goals of education have been left largely unexplored. The Foreword to the Curriculum Framework document is rich with the language of the marketplace. Teachers must now work to create a “highly skilled and adaptable workforce” in an education system beholden to the dictates of “tomorrow’s competitive world economy” and the goals of progress and prosperity (New Zealand Curriculum
Other goals of education, such as education for citizenship, have been all but abandoned or assigned to the margins.

The Reform of Education

Neo-liberal proposals for changes in the management and funding of schools were stated in earnest in 1987, when the Department of Treasury released its briefing paper *Government Management* to the re-elected Labour Government. Although written in the language of liberal humanism, its arguments and implications were unremittingly neo-liberal. Stressing the public cost and magnitude of the education 'enterprise' and OECD suggestions for structural change, the briefing made it seem that the Ministry had become an expensive and cumbersome Leviathan, unresponsive to the new pluralism, and minority needs.

A total macro-approach was called for; one that dealt to educational inefficiencies in expenditure and outcomes, by in some way, realigning the people paying for education with those 'consuming' it. Faced with an economy in crisis Treasury made it clear that spending on education must be reduced. The Government, Treasury declared, should “make it a matter for careful assessment whether greater investment in education or a greater emphasis on macro-economic objectives (for example debt deduction) is the better long term investment for society as a whole” (Department of Treasury, 1987:6).

In response to the concerns and suggestions stated by the Treasury Department, the Labour Government commissioned a taskforce to make recommendations for reform of the administration of schools. In adherence to the dictates of public-choice theory, which stresses the duplicity of public servants, the taskforce was chaired not by an educational authority or expert in the administration of schools, but by a company director - Brian Picot. The report advocated a dramatic change in the administration of school education, proposing that the cumbersome and multi-layered administration of schools be replaced by boards of trustees elected by parents and an external review and audit agency (ERO). The boards would control most of a given school's resources, from teachers’ salaries, to maintenance and the purchase of teaching materials. Boards of trustees were to be made up of five elected parents, the principal, one other representative from staff and (in the case of secondary schools) a student. The key
objective behind the proposed changes was to make schools more like efficient businesses - responsive to the demands of consumers (curiously defined as the parents). Many of the recommendations were accepted uncritically by the Lange administration, which saw the proposals as “being a good mixture of responsiveness, flexibility and accountability” (Department of Education, 1988:iii). Most of the proposals were subsequently passed into law under the Education Act 1989, as outlined in the statement of intent entitled Tomorrow's Schools.

**Neo-liberal ideology**

The ideology which held sway over the Fourth Labour Government Cabinet is the same as that which underpins the current political agenda of the Business Roundtable, Treasury, ACT and most in the National caucus. It is derived from, and best articulated by, the neo-liberal philosophies of Freidrich Hayek, Milton Freidman, Robert Nozick and public choice critiques of bureaucracy (for example, William Niskanen and James Buchanan). Most of these theorists (defined in the study of ideologies as 'neo-liberals') advocate a minimal 'night-watchman' state where the only legitimate role for government consists of national defence, protection against force and fraud, and the enforcement of contracts. Advocates of neo-liberalism reject the welfare state and view almost all state activity as that which undermines individual freedoms (though these are 'freedoms' which, as critics of neo-liberalism are not shy to point out, rely on one having wealth). Pivotal to the individualistic framework that neo-liberals work within is also a belief that it is human nature to seek to maximise one's self-interest. This unsophisticated conceptualisation of human agency cannot adequately account for organic and altruistic forms of collective action, where, as Lauder remarks, “social bonds of love, respect for others and collective memory are stripped away in the struggle for resources” (Lauder, 1997:385).

Since, it is argued, individuals will seek to maximise their own utility before others, perceived weaknesses in outcomes within institutions are explained as being caused by arrangements that give employees autonomy without a requisite degree of accountability. This aspect of neo-liberal ideology is derived from public choice theory (particularly Buchanan and Niskanen). To neo-liberals, most institutions
outside the 'marketplace' are entropic and prone to 'provider capture'. Employees will waste resources and maximise their own ends if left unchecked. For neo-liberals, no institution is more illustrative of this process in practice than the state-run school. According to Ruth Richardson, ex-National Government Minister of Finance:

> Education is a notoriously difficult area to make progress on public policy. Like health, there has been a high degree of provider capture. The teacher unions are one of the most recalcitrant special-interest groups confronting the government. Any initiative involving greater accountability for teachers is greeted with extreme hostility bordering on obstruction (Richardson, 1995:218).

**Vouchers**

Though a purist neo-liberal would view any redistribution by the state as unjustifiable, some of the leading neo-liberals, perhaps in contemplation of the practical consequences of the state's full withdrawal from the education sector, advocate a pseudo-market of education vouchers. One such leading light has been Milton Friedman who has, since 1962, supported a system of vouchers. Under his proposal;

> Governments could require a minimum level of schooling financed by giving parents vouchers redeemable for a specified maximum sum per child per year if spent on 'approved educational services'. Parents would then be free to spend their sum or any additional sum they themselves provided on purchasing educational services from an 'approved' institution of their choice (Friedman, 1962; as quoted in McKenzie, 1997:168).

As an organisation, the Business Roundtable is perhaps the leading advocate in New Zealand for the introduction of education vouchers. Roger Kerr, of the Business Roundtable makes the claim that:

> Tomorrow's Schools reforms...only modestly increased parental choice and the diversity of schooling. They relied too heavily on a flawed idea -
that to improve education parents needed to 'get involved' and serve on boards of trustees - *rather than on the normal mechanisms of choice and competition which consumers rely on in other markets to deliver the services they want* [italics mine] (Kerr, 1996).

For the Business Roundtable and ACT, it is competition between teachers and between schools which will ensure that the most efficient methods for transferring facts to students are developed (quantified and advertised through the publication of a school's average marks in national exams), and it is competition between students in the attainment of esteem through higher grades that ensures a greater quantity of facts will be memorised. For the Business Roundtable, as for ACT and Treasury, learning is not something to be experienced co-operatively or valued for its own sake.

The tacit expectation is that state schools will be unable to compete with private schools in the competition for education vouchers (because private businesses are understood to be more efficient than public ones). One might well wonder whether the true goal of the voucher proposal is the full-privatisation of education, with the gradual withdrawal of a universal transfer to a supplement allocated only to those unable to pay the full cost of their children's education. Today's technology of targeted assistance makes such a policy quite feasible. Until recently, there has been no efficient means to target school education costs on the ability to pay, but (as we have seen with accommodation, health and family benefits), the speed of computer networking and data storage have put paid to the argument in favour of the allocation of universal benefits on the basis of efficiency.

**Objections to the marketisation of education**

Although the discourse of the radical Right is rich with the promise of parental choice, we must move beyond the rhetoric and investigate the practical consequences of such a policy. Briefly stated, these are my main objections to the marketisation of education, especially as it relates to the voucher proposal.
(1) The proposal assumes that parents have equal access to all the necessary information required to make valid comparisons between schools. It is obviously the case that parents do not have equal access to information.v

(2) The marketisation of schools requires that they be comparable. This comparability across schools in turn requires that there be a standardisation in measures of learning outcomes - in other words - external examination. As is the case with secondary schools, it is a natural tendency of schools under this framework to structure teaching more directly to improve the students' success in examination, rather than teaching in order to meet their real needs. Assessment of learning through quantifiable forms of examination not only approximates the analysis of real knowledge, it also changes and abstracts the focus of teaching. In order for schools to attract students, they will, by necessity, have to devise strategies that ensure that students have their chances of exam success maximised. With the drive to increase student scores in these external exams, it is likely (a.) that there will be less variation in content and pedagogical styles across schools (making a mockery of the ideal of 'choice'), and (b.) that lower socio-economic schools will be unable to achieve the same levels of success as schools in higher socio-economic areas.

(3) There is, as yet, no convincing evidence from those countries who have trailed vouchers systems to suggest that the system is more efficient than the state system. The international literature seems to suggest that there are few, if any, efficiency gains in switching to a voucher system.

(4) The proposal is highly damaging to teaching as a career vocation. Under budgetary constraints schools will tend to want to employ cheap, less-experienced teachers over older, more experienced ones.

(5) While insisting that the voucher system expands educational choices, its chief advocates propose draconian controls on curriculum content. Where Friedman and the Business Roundtable are most out of step with their own 'libertarian' principles is in their advocacy of a single national curriculum of core subjects that all schools must teach to. Michael Irwin, Policy Analyst for the Business Roundtable, thinking perhaps
of the finest traditions of Harrow and Eton, finds it ‘...ironic...that New Zealand, whose own national literature is so recent, has dispensed with Greek entirely at the school level and seems in the process of doing the same with Latin’ (Irwin, 1994:176). He calls for an initiative to “re-emphasise the classics; insert into the final English statement a strong emphasis on the best and richest of our English literary heritage and do the equivalent with the arts curriculum statement” (Irwin, 1994:180). Like Friedman, the Business Roundtable propose that there be a national curriculum “establishing core requirements in basic subjects such as English, maths, science and the humanities, which schools eligible for funding would be bound to teach” (Kerr, 1997:221). David McKenzie, in his article on the voucher system, argues that such a proposal would ‘sanction the programmes from which the parents could choose; sanctions which would be drawn up by people ... who know what students need and what society needs’ (McKenzie, 1997).

(6) Because capitalist imperatives call for control, management, standardisation and predictability in the market, model a teacher's autonomy is by necessity constrained. The parent, not the student, becomes the consumer and locus in the equation. The teacher is beholden to the owner or manager of the enterprise in ensuring the retention and expansion of consumers (parents), and only to students in so far as these primary obligations are satisfied. The objective changes from one of educating children according to the best knowledge and practice of the teacher, to one of teaching according to an approximation of the understandings that the parent has of good content and practice.

(7) Under a regime of budget control and external examination, it is conceivable that teachers may be required to teach according to pre-designed unit plans, their expertise measured according to the students’ progress and achievement, relative to the national bell-curve. The entire policy relies on a very mechanistic and outmoded understanding of education; that learning consists of the transfer of facts from teacher to pupil.

Under this regime, the teacher becomes a technician - dead labour - fulfilling, in ways measurable, the 'transmission of knowledge'. The student, in this mechanisation of what is in its ideal form, one of partnership, becomes (to invoke Lukács)v, the product
undergoing commodification. As Glasser, an American management theorist influential in many New Zealand schools states, (quite unconsciously):

Students are not only the workers in the school, they are also the products. Once they see that they themselves are gaining in quality, they will make an effort to continue this option, just as we continue to buy the quality products of Japan (Glasser, 1990:4).

(8) While integral to the neo-liberal argument is the idea that the market is the best instrument to respond to parental demand, it is also the case that the market shapes consumer preferences. George Soros, himself a prominent capitalist, states:

As the market mechanism has extended its sway, the fiction that people act on the basis of a given set of nonmarket values has become progressively more difficult to maintain. Advertising, marketing, even packaging, aims at shaping people's preferences rather than, as laissez-faire theory holds, merely responding to them (Soros, 1997:52).

Already in our 'quasi-market' the appeal to (and shaping of) the prejudices and assumptions of the consumer are apparent. Liz Gordon, in her analysis of the effects of bulk funding, makes the observation that when rolls fall there is a tendency for schools to spend money improving the 'look' of their grounds and buildings, to increase advertising, and to introduce 'niche-marketed' programmes (Gordon, 1996:139). The spending of resources on improving the image of a school takes precedence over measures that might improve educational outcomes.

(9) It is management that is viewed, by those sympathetic to the marketisation of education, as the modern panacea for many of the ills facing schools today. In Glasser's school, teaching is reducible to the skilful management of children producing quality products. Teachers in their turn must be well line-managed in order for this factory model to function most efficiently. According to Stephen Ball (1990:156) the popularity of management is “part of a ‘radical right’” thrust to gain closer, and more precise control, over the processes of schooling. The discourse of
management plays an essential role in achieving this shift and justifying... ‘new forms of control’. For Foucault, management becomes a technical means of control in the workplace, exercised through punishment and appraisal. It is a “machine...in which everyone is caught, those who exercise power as well as those who are subjected to it” (Foucault, 1980:156).

It is the technology of management through the surveillance of teachers and their students - through record keeping, reporting and constant assessment - that makes modern management so insidious. As these forms of surveillance become absorbed into the machinery of computer files and networks the zone that was ours and ours alone - where we, as teachers, are left unappraised, unscrutinised by ERO or the boss, (or children unmonitored by the morally outraged) - is lost forever. There is no free-human agency in this kind of universe. The panopticon has grown because these micro-technologies have developed only incrementally, and for the most part invisibly. Where more blatant, they are justified through the argument that the righteous have nothing to hide. Yet righteous or guilty, whether our actions are scrutinised through examination, appraisal, or the cold eye of a camera, we become the subjects of power. And in this process those in power too become distanced from us. Though the electronic network has shortened the distance between the technologies of surveillance and their operators, the physical distance between those in power and those subject to its gaze has become absolute.

**The Counterforce**

For every kind of vampire, there is a kind of cross

(Pynchon, 1973:540).

If there is a dialect working through history, perhaps there is the possibility of an organised antithesis to neo-liberalism. By this I also mean that we need to reconstruct those traditional oppositional responses to this aberration of liberalism. We need to look beyond the artifice of pragmatism and question the very misanthropic framework that the ideological body is built upon. The egotism of public choice theory, the narrow definition of freedom in neo-liberalism, and the true nature of power,
punishment and appraisal under management need to be understood if they are to be challenged.

In addition to supporting those political reforms, which reverse the trend towards the imposition of industrial and market structures, there are some practical steps that we, as teachers, can take to preserve our careers and conditions of work, while ensuring that our students are provided with the best possible education.

1) In rejecting the assumptions underlying public choice, and neo-liberal theory, we should strengthen and defend organic and collective bonds; bonds between teacher and students, between fellow teachers and also between schools. In achievement of this first objective teachers must be seen to be practitioners of those arts and skills they impart.

2) We should highlight those flaws in the radical right argument, as they relate to efficiency and choice, and especially the inconsistencies in the argument as they relate to the 'core curriculum'.

3) We should question the wisdom and efficacy of using market and industrial models for education.

4) We must maintain and support vocational and collective structures such as unions and other professional support bodies. It is no accident that the Business Roundtable, ACT and the National Government, see teacher unions as the greatest impediment to reform. Our best response to educational reform of the kind advocated by the Right is through collective action.

5) Line management does not provide a sufficient means for teachers to critically assess their teaching practice. We should work towards the development of systems, whereby teachers can openly discuss issues relating to our teaching practice and well-being, with teachers from other schools - dialogue that, taking place within schools, cannot be guaranteed to be neutral or consequence-free.
6) We must critically consider the core justifications for teaching that move beyond those of efficiency and vocational training. The obsession with these ends reduces teachers to factory technicians, and students to embryonic wage slaves. Neil Postman notes:

There can be no education philosophy that does not address what learning is for. Confucious, Plato, Quintilian, Cicero, Comensius, Erasmus, Locke, Rousseau, Jefferson, Russell, Montissori, Whitehead, and Dewey--each believed there was some transcendent political, spiritual, or social idea that must be advanced through education...Cicero argued that education must free the student from the tyranny of the present. Jefferson thought the purpose of education is to teach the young how to protect their liberties. Rousseau wished education to free young from the unnatural constraints of a wicked and arbitrary social order. And among John Dewey's aims was to help the student function without certainty in a world of constant change and puzzling ambiguities (Postman, 1992:171-2).

**Bionote**

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**References**


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Notes

i Data prepared by Brian Easton comparing salary levels between 1982 and 1996 shows that the vast majority of the population are earning less than they were. According to Keith Rankin in the New Zealand Listener, “the first 10 percent have improved and the next ten percent have stood still, but the other 80 percent have gone down” (New Zealand Listener, August 7, 1999: 16).

ii Because even this arrangement presupposes a redistributive monopoly (over protection), Nozick (1994:26), suggests arrangement, which he terms the ultraminimal state. Under this state “…protection and enforcement services are provided only to those who purchase its protection and enforcement policies. People who don’t buy a protection contract from the monopoly don’t get protected”.

iii Neo-liberals see no duty to support the welfare of others. There is no ‘community’ in their universe, and all people are considered as strangers. As Michael Walzer (1983), writes in his classic defence of communitarianism “…communal provision is import because it teaches us the value of membership. If we did not provide for one another, if we recognised no distinction between members and strangers, we would have no reason to form and maintain political communities”.

iv The idea of education vouchers can be traced back to John Stuart Mill and Adam Smith, and according to Elchanan Cohn (1997), was first proposed by Tom Paine in his Rights of Man. An excellent critique and history of the education voucher proposal can be found in McKenzie (1997),

There is a significant amount of international research cited in Cohn (1997) that suggests that parents from different socio-economic groups have unequal access to information about schools, that where vouchers have been trialed efficiency gains are at best doubtful and socio-economic disparities exacerbated.

Lukács was the first theorist working within the Marxist tradition to talk about the commodification of social relations. Lukács writes “Where the economy has been fully developed a man’s activity becomes estranged from himself; it turns into a commodity which, subject to the natural laws of society, must go its way independently of man, just like any consumer article” (Quoted in Heller (Ed.) 1983:116).