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Show Me the Money! Neoliberalism at Work in Education

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ABSTRACT Neoliberalism is often addressed by commentators and critics as a set of ideas or a doctrine. This article considers neoliberalism as a set of financial practices and exchanges – as about money and profit – and goes on to suggest that as practitioners, researchers, activists we need to understand and engage with that logic and its

Alongside this, bits of policy, bits of the state, bits of statework, are now owned by the private sector – these bits are also traded. Private equity and global education businesses are interested in profitable education enterprises. State schools and hospitals built through Private Finance Initiative (PFI) and Public–Private Partnership (PPP) schemes are owned and run by banks, builders and management service companies and leased back to the state – and are again often very profitable and again are traded. There is also a lively market in private educational organisations – schools and universities – which are being bought and sold, bundled together, merged – Apollo, the largest private higher education provider in the USA, recently bought UK company BPP Holdings for just over $600 million in anticipation of the award to BPP of degree-awarding powers. In 2011 Apollo wrote off a loss of $170 million against the BPP acquisition. In all of this education is a service commodity, or is real estate (buildings and infrastructure), or a brand, alongside any other commodity or capital asset and is treated accordingly, subject to the same business strategies, the same generic management techniques, and the same systems of value (in both senses of the word). This of course brings into play new kinds of decision-making, new 'bottom lines', new interests. In the world of business shareholders, investors and stock market value, profitability is what counts in the final analysis.

Nonetheless, the argument is now being made that the disciplines of profit are what is needed to reform and re-energise the public sector; either in the form of 'social capitalism' or 'social enterprise'. That is, enterprise can succeed where the state has failed. As Bill Gates argued at the 2008 World Economic Forum:

> The Challenge here is to design a system where market incentives, including profits and recognition, drive those principles to do more for the poor.
>
> I like to call this idea creative capitalism, an approach where governments, businesses, and nonprofits work together to stretch the reach of market forces so that more people can make a profit, or gain recognition, doing work that eases the world's inequities.

Here, then, profit becomes a force for good, at exactly the same time as it brought the western financial system to the brink of collapse.

The discipline of profit, through enterprise and entrepreneurism is being used to neoliberalise public sector education from within and without – endogenously and exogenously. In the former, it does this by devolving budgets and encouraging educational institutions to be entrepreneurial, and thus to generate increasing amounts of their budget from non-state sources, as well as to seek ways of cutting their costs. This is interrelated with and partly dependent upon policies of labour force deregulation and flexibilisation and tends to produce 'a growing workforce of part-time and casual contract labour at the bottom of organisations' (Connell et al, 2009, p. 332) – the deployment of Learning Support Assistants in English schools is a case in point.

The critical point of interface between market and state is that of

> context in which microfinance clients live is by definition fragile. (Stewart et al, 2011, p. 6)

Money is also important in getting neoliberalism, as a doctrine and as a set of policy ideas, into the public and political imagination. That is, funding for advocacy, 'research' and 'influence' activities in making neoliberalism thinkable, possible, obvious and necessary as 'a new dominant social ideology' (Connell et al, 2009, p. 333). This is part of what Tickell and Peck refer to as the 'deep process' of neoliberalisation, and they argue that 'one of the more far-reaching effects of this deep process of neoliberalisation has been the attempt to sequester key economic policy issues beyond the reach of explicit politicisation' (Tickell & Peck, 2003, p. 16). This is done, in part, within various forms of policy advocacy; money and ideas work to join up advocacy activities to policy proposals and to programmes of reform. This is another form of the investment of profits for future returns. In this case capital, through philanthropic foundations, invests in the work of think tanks and advocacy networks and policy entrepreneurs with the intention and hope of exacting extensions to the commodification of the social, the creation of new markets and the deregulation of existing ones. As Connell et al (2009, p. 333) put it: 'Neoliberals continue to attack public enterprise, bureaucrats, red tape, regulatory agencies, unions, cooperatives, welfare dependency, and other hangovers from what they see as a discredited past'. In relation to this, neoliberalism is well organised and very practical. Networks like Atlas, IPN, Stockholm and Mont Pelerin enable the movement of ideas, the legitimatisation of policy, the bringing of influence to bear, the process of attrition in relation to the 'discredited past' as a 'sociocultural logic' (Connell et al, 2009 p. 333). All of this goes some way towards demonstrating that neoliberalism is neither natural nor inevitable (Tickell & Peck, 2003) in how it is being done and planned and enacted.

There are intimate but often unapparent relationships between critique, advocacy, philanthropy, social enterprise, business (of various kinds), academia and politics. Key individuals join up these social, political and economic fields – as carriers of the discourse and practice of neoliberalism. This connectivity is the tissue, the substance of neoliberal attrition and advance – roll back and roll out. It is evident in links between US charter schools, private equity companies, venture philanthropies, organisations critical of public education, think tanks, and freelance educational consultants. It is evident in links between pro-market foundations, policy entrepreneurs, government departments, the World Bank, NGOs and commercial reading schemes (see Ball, 2012). It is evident in links between the funding of educational conferences, the publication of pro-market research and edu-businesses. It is evident in relations between multinational banks, their Foundations, not-for-profit educational providers in late-developing countries and new business opportunities. It is evident in a new generation of hybrid policy entrepreneurs who operate across advocacy, politics, philanthropy and business – whom Dezalay and Garth (2002 p. 30) call neoliberal *technopols* and who are 'strongly embedded in an international market of expertise

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