Trading in Education Futures: Four Contradictions in Placing the Economy beyond Politics

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Introduction

Negotiations that involve education and knowledge creation/use in global trade talks (from conditions of trade to government procurement to intellectual property) were largely the preserve of the World Trade Organization (WTO) and its specific agreements, such as the General Agreement on Trade in Services (GATTS), and the Trade Related Aspects of Intellectual Property Rights (TRIPS).

However from 2005 onwards, the WTO’s negotiations in the area of services more generally stalled, as tensions and disagreements impeded progress between the major trading countries in the developed and developing world. Not to be deterred, national and regional governments turned to bilateral and preferential trade agreements, in most cases involving either the United States or Europe as the bilateral parties to advance their economic interests (Robertson and Komljenovic, 2015).

Following the Global Financial Crisis of 2008, a new round of mega-trade negotiations and agreements are again on the table, largely driven by the United States and Europe. The purposes of these trade deals is broadly represented as necessary to boost ailing economic growth and productivity through eliminating tariff and non-tariff barriers to trade, and to develop the trade architectures for services.

These mega-trade deals are the Trans-Pacific Partnership, (TPP) involving 12 countries, the Comprehensive Economic Trade Agreement (CETA) between Europe and Canada, the Trade in Services Agreement (TISA), and the Transatlantic Trade and Investment Partnership (TTIP) between Europe and the United States of America (US). And whilst the rounds of negotiations for CETA and the TPP were completed in 2015, they have not yet been ratified by the respective governments involved. TISA and TTIP negotiations are still underway, with dwindling hopes that these deals will be completed by the end of 2016, and indeed sceptics casting doubt on whether the TTIP negotiations will even be conclusive (Walker, 2016).

These talks are ambitious in that they aim to set the rules for global trade in services in ways that reflect the interests of the United States and Europe, though there are major tensions between these two rivals around the detail, especially with regard to standards

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1 Twelve ‘Pacific Rim’ countries signed the TPP trade agreement in February 2016: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam and the United States.

2 As of August 2016 there are 23 negotiating parties. Australia, Canada, Chile, Chinese Taipei (Taiwan), Colombia, the EU (representing its 28 member states), Hong Kong China, Japan, South Korea, Mexico, New Zealand, Norway, Pakistan, Switzerland, Turkey and the United State were (along with Singapore, which left early in the negotiations) the original ‘Really Good Friends of Services’ coalition in mid-2012. Costa Rica, Israel, Iceland, Panama, Peru and Turkey joined in late 2012 (Vincenti, 2012).

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and other consumer protections. A key feature of all of these deals is not only that have been held in secret, but their purpose is to place limits on government’s policies aimed at regulating investors, or where governments might seek to reverse economic liberalisation.

Much can be written about the detail of these deals (see Robertson and Komljenovic, 2015, 2016; Robertson, Tidy and Ayuso, 2016). However, my interest in this paper is not so much with the ‘what’ and ‘how’, but the fundamental contradictions for the state inherent in including education and knowledge creation in these global trade agreements. When education, knowledge work and knowledge workers become more tightly wound into processes of capital accumulation, and where the economic is placed beyond politics (as it is in these deals), what capacity does the state have to manage crisis tendencies? Similarly, what new contradictions emerge around knowledge creation and use, when the rights of creators/owners of copyright and patents potentially undermine the conditions necessary for innovation? What new challenges and contradictions emerge for governments in legitimating capitalism and building social cohesion when they have limited education policy space through which to do so? And finally what contradictions emerge for the world system when there is growing interdependencies between them, with unevenly distributed means for managing ongoing crisis tendencies. These are important questions to be explored in that what is at stake is the stability of the social system, as well as the capacity to manage the challenges and contradiction that are intrinsic to global capitalism.

The structure of the paper is as follows. I begin by briefly elaborating on what it means to talk about contradictions within capitalism, before looking at the complex relationship between education and the capitalist state in general. I then show how education sector, knowledge work and workers have been increasingly drawn into capital accumulation, by playing a direct role in production as well as social reproduction. Education’s complicated place in the social contract, production and social reproduction, sets up new tensions and contradictions that the state must manage, however this time with limited or little policy space as the economy is placed beyond politics. Four contradictions are explored before a set of conclusions are drawn around the state as a manager of crises.

On Contradictions

In his book – Seventeen Contradictions and the End of Capitalism – Harvey (2014: 1) points out there are two basic ways in which the idea of contradictions is used in the English language. The first is derived from Aristotle, and the fact that two statements cannot be true together. If one is true, then the other cannot. For instance, ‘all swans are white’ contradicts the statement ‘all swans are black’. Only of these can be true, if the claim is to hold.
A second, dialectical as opposed to logical, way understanding the idea of 'contradictions' is when two opposed forces are simultaneously present within a situation, event, or process. Offe (1984: 132) puts it well when he says:

A contradiction is the tendency inherent within a specific mode of production to destroy the very pre-conditions on which its survival depends. Contradictions become manifest when in situations where...a collision occurs between the very constituent pre-conditions and the results of a very specific mode of production, or where the necessary becomes impossible and the impossible becomes necessary.

For example, for capitalism to be able to continue to expand and accumulate, it must be innovative, yet individual capitalists try to monopolise sectors limiting their capacity to innovate. Resolving the contradiction, at least in the short or longer term, might be the result of innovations being developed, as a response to this contradiction, for instance through the development of competition law so as to regulate tendencies toward monopolies, or limiting cartel behaviour.

Harvey points to other examples to help us; in the early nineteenth century, Britain needed the land for biofuels (such as coal-mining), but also at the same time, food production with intensifying competition between the two. Its resolution came with the invention of the steam engine which took pressure off coal mining, though over time new contradictions begin to emerge. Currently there is again pressure on land as it is used for the production of bio-fuels (this time plants), causing food prices to rise as crops are planted for fuel purposes, and not human consumption. Fracking, a technique for releasing stored gas in underground rock deposits, has taken some pressure off the demand for fuel, that this technique has its own internal contradictions that include minor earth tremors and other instabilities. As Harvey notes:

The contradictions of capital have spawned innovations many of which have improved the qualities of daily life. Contradictions when they erupt into a crisis of capital, generate moments of 'creative destruction'. Rarely is it the case that what is created and what is destroyed are predetermined and rarely is it the case that everything that is created is bad and everything that was good, was destroyed. And rarely are the contradictions totally resolved. Crisis are moments of transformation in which capital typically reinvents itself and morphs into something else (Harvey, 2014: 4).

Identifying and teasing out the contradictions in solutions to crises helps us to see the potential seeds of its own destruction, and it is these fundamental and contradictory tendencies toward crisis that capitalist states try to manage, until they face a profound crisis in crisis management (Offe, 1984).
Core Problems of Capitalist States and Education

Education systems are deeply implicated in reproducing capitalist societies and in managing its uneven and unequal outcomes as well as crisis tendencies. This insight was established in an essay published in 1982, where Dale challenged conventional thinking on the state in political sociology which tended to see the state as a neutral means of distributing social goods amongst competing groups, and in this case, education opportunities as a social good.

Instead Dale argues that at its most abstract level“...the basic problems facing education systems in capitalist countries derive from the problems of the capitalist State” (p. 130). These problems emerge for the state in that capital cannot by its own efforts alone lay down or secure the conditions for its existence or reproduction (p. 132). From the ‘rules of the game’ such as legal frameworks that guarantee contracts, property and money, to pressures to compete, or the limits posed by individual capital’s tendencies, the state must manage these logics and tendencies. It must do this in order to ensure ongoing capital accumulation, as well as to guarantee the conditions of its own existence (revenues from capital accumulation, as a legitimator of capitalism and its inevitable tendencies to uneven development, social cohesion of those it rules). Dale refers to these as the ‘core problems’ for the capitalist state: support for the accumulation process, the legitimation of the capitalist mode of production, and guaranteeing a context for its continued expansion (p. 133).

In a recent essay on progress and capitalism, and the unequal outcomes, Goran Therborn (2016: 31) put this well when he stated: “Even if capitalist markets do have an inclusive aspect, open to exchange with anyone, regardless of colour, sex, or politics—to the extent of flouting imperial sanctions, on occasion—as long as it is profitable, capitalism as a whole is predominantly and inherently a system of social exclusion, dividing people by property and excluding the unprofitable. A system of this kind is, of course, incapable of allowing the capabilities of all humankind to be realised”. Indeed an expanded reservoir of capabilities may well be central to driving innovation for capital accumulation. However it also risks the possibility of that capability being used to challenge capitalism as a system, and cultural systems like modernity and progress, which have oiled the wheels of accumulation in powerful ways.

Education not only continues to be a key state institution through which social reproduction takes place, but arguably its increasingly central role in production, as we have shown above, brings it more directly into capital accumulation strategies. However formal education is also an institution with a mandate to develop human capacities, as an both an entitlement and a right, and it is the tension between this claim, and its inclusion as a consumer good and arena for trade, that generates new tensions, contradictions and crisis tendencies for the state to manage.
Crises of Capitalism and Transformations in Education ....the 1970s onwards

In looking back to the early 1970s, we can begin to see the links between crises and the ensuring transformations of education. Most accounts of the beginning of efforts to imagine services as competitive sectors to underpin a new long wave of accumulation in comparison to the production of goods, point to their genesis in the oil shocks in the 1970s and the economic crisis that followed. David Harvey (1989: 141-2) argued that not only did the United States face growing competition from western Europe and Japan, but also a host of newly industrialising countries in Asia began to challenge US hegemony. When the Bretton Woods system, collapsed in 1973, the US share of output had fallen by 10 percentage points since 1950, and its share of exports had fallen to less than the combined total of Germany and Japan (Mitchie and Smith, 1995: 25-26).

The economic crisis also created a crisis of rationality over the model of development that had underpinned this ‘glorious thirty years’, with Keynesian models increasingly discredited by “a minority of ultra-liberal economic theologians” (Hobsbawn, 1994: 409) committed to promoting an unrestricted free market as the desired model of economic development. This was a battle of narratives about the economy and the future. For Keynesians, high wages, full employment and the welfare state were imagined to create the consumer demand that fuelled expansion. For neoliberals, however, the future wealth of the nation depended on minimising the role, and cost, of government, and creating the conditions whereby the private sector and profit—the supposed ‘real’ motor of the economy—would be allowed to flourish and boost productivity.

In the struggles that followed, it was the neo/liberal imaginary – of choice and markets, entrepreneurship, efficiency through competition, opening up public monopolies to private sector actors – which won the day, with its appeal to individualism, consumption, efficiency and personal freedom against what it argued was a slow, one-size-fits-all, paternal, bureaucratic order (Berger et al., 1974). This alternative imaginary of the future set in train a new kind logic in sectors like education; a logic which privileged social attributes such as individualism, competitiveness, and forms of calculation which sought to maximise the returns on education investments into the future.

If the governance of education was being refashioned in micro-economic policy through narratives such as human capital, consumerism, efficiencies and so on, so too were the ways in which education was being viewed in macro-economic policy; as central to the development of a global knowledge and services-based economy (Robertson et al., 2002; Robertson, 2009). Three tendencies can be identified as innovations aimed at solving long run accumulation problems.

The first innovation was to bring education directly into global trade flows in the late 1980s. Trade in education services is now an important ‘industry’ in countries that include Australia, New Zealand, the United Kingdom, the Netherlands and Canada (Robertson and Kedzierski, 2016). Yet with such a significant investment in, and dependence upon, the ‘education export market’, there is also a concern expressed as to how best to maintain, or increase, market-share. At the same time, key actors (governments,
institutions and transnational firms) within economies from Australia, New Zealand and the United States, have all sought to manage the ways in which domestic and international regulatory systems of the inter-state world might impede their project of creating an expanding global trading system in services.

A second innovation occurred in the 90s, as international organisations like the Organisation for Economic Cooperation and Development (OECD), the World Bank, and governments sought to get economic productivity back on track. The policy mix included expanding the stock of human capital through opening up access to higher education, boosting technologically-driven Research and Development (R&D), and extracting value from innovation via patents and so on (Robertson, 2009).

A third innovation gathered considerable momentum from the 1990s onwards, as education was reframed as variously a market, emerging market, new investment sector, and so on. In countries like the USA, UK, Sweden and Australia for-profit activity in the schooling and higher education sectors has been rather invisible as a result of language like Public Private Partnerships (Robertson et al., 2012). Yet education as a commodity and market is manifest in arrangements like Charter Schools (USA/Canada) (Lubienski, 2013), Academies (UK) (Eyles and Machin, 2015), or Free Schools (Sweden) (Wiborg, 2010). The role of private actors is not limited to provision, financing, or infrastructure. Ball (2007; 2012) and DiMartino and Scott (2012) both show that private sector actors, from global consulting firms to foundations and venture philanthropists, have penetrated the state’s policymaking space so that even the government’s role as policymaker/regulator has increasingly been captured by private sector interests.

However these developments in education have been particularly controversial and are also contested at many levels – from the local to the global, suggesting that claims to the role and purpose of education faces legitimation problems. In her book Not For Profit (2010) the well-known philosopher Martha Nussbaum is highly critical of what she sees as a short-sighted, narrow, economic agenda for education. Similarly, the Special Rapporteur on the right to education Kishore Singh, in his 2014 report on the Right to Education, points to “...the explosive growth of private education providers...and the need to preserve education as a public good...which must not be reduced to a profit-making business” (p. 2). In short, competing conceptions of education - as a societal good versus a private economic good, create considerable turbulence for the state and the role that education, knowledge work and knowledge workers should play in the social contract.

Education and Knowledge Work in Trade Deals: Contradictions for the State

These mega-trade negotiations introduced above have differed in important ways from the WTO’s GATS agreement and thus generate rather different challenges for the state. To begin, they have been largely conducted in secret, much to the consternation of those concerned with transparency and democratic accountability (Sauve, 2013). They also involve a combination of mechanisms which did not feature in quite the same form in the
GATS. These include ‘standstill’ and ‘upward ratchet’ conditions; the use of a ‘negative list’ approach; investor-state dispute settlement mechanisms; and the implicit inclusion of education unless governments can show that education is one of those ‘services and activities performed in the exercise of governmental authority’. This means services or activities which are performed neither on a commercial basis nor in competition with one or more economic operators (TTIP, 2016: leaked document).

Stand-still and upward ratchet refers to the criteria that a country’s current state of liberalisation is the point from which further liberalisation will begin. Negative list refers to listing those agents/institutions/practices that are to be exempted with the implication that all else is in, including new developments into the future which cannot, by definition, be listed as they are not known. In this sense the future is locked into progressive liberalisation. The Investor-State Dispute Settlement mechanism – typical in many of the Preferential and Bi-lateral Trade Agreements and known to favour investors over the state, has been promoted by the US in particular and is a particularly controversial feature of the current trade deals. Finally, given that for most of the Parties these trade deals their education sectors have elements of competition and commercial provision, education as a service is included rather than excluded. But education is included in other ways, for instance through chapters on government procurement, movement of natural persons – or labour, intellectual property and information and data flows.

The purpose of this section is to explore four key contradictions contained in these trade deals for education, and ongoing social development. The first contradiction is that an open and dynamic approach to knowledge creation is fundamental to the development of innovation and a dynamic knowledge economy yet the trade deals tend to contain and constrain knowledge production and its conditions of use. The second is that in privileging the interests of corporate-led global capitalism in trade deals by placing economics beyond politics, the national and regional political elites then deny themselves the policy tools and means to manage the inevitable crisis tendencies within capitalism. Third, the loss of political space in governing social welfare sectors like education, fundamental to the social contract, makes it increasingly impossible for the state to manage the consequences of ongoing uneven development, unfolding social inequalities, and problems of legitimacy and social cohesion issues. Fourth, the asymmetrical loss of political capacity to govern education as an economic good in the context of increasingly inter-dependent relations between nations as a result of these deals, means tendencies toward crises within and across national boundaries will have consequences for the US as hegemon, as it has effectively limited the governing and crisis management capacity of its trading partners. These fundamental contradictions are developed further below.

Contradiction 1: Dynamic openness and innovation Vs static enclosed reproduction
There is contradiction in the role of knowledge creation and use in advancing a knowledge-based economy as a solution to the crisis of the post-World-War 2 global economic order. On the one hand, knowledge economies are increasingly dependent on creativity and innovation to drive new ideas and outputs. Wide and low cost access to these ideas and outputs speeds up the rate of innovation. On the other hand, propriety-based accumulation strategies enclose, privatise and commodify knowledge, so as to extract exchange value. However, its cost-based nature slows down the rate of innovation because access becomes more limited. The first impulse is open, creative and dynamic; the second impulse encloses and privatises knowledge.

As knowledge economies have become more important as an accumulation strategy, so too have the institutions and instruments to collect the returns from intellectual property, whether as rents, royalties, ensure trademark compliance, monitor counterfeiting, and so on. All of the trade deals referred to earlier have sections or Chapters on intellectual property. Curtis (2012: 8-9) points to this contradiction when he argues there is a tension between the rights of creators and the rights of users. Lawyers are largely concerned with the rights of creators, turning those rights into intellectual property rights. Economic policymakers are more interested in determining the cost-benefit ratio between the rights of creators and the rights of users in terms of innovation, economic growth, productivity, and so on. This is because in particular circumstances, limiting access to products and services through putting a price on them, in turn limits innovation. Similarly, copyright protections which protect creators can limit creativity in that it makes it difficult for some texts to be easily accessed in sufficient volume by users.

Educators have a foot in both camps; they are creators and users of knowledge, on the one hand, and creators of information and users of digital infrastructures, which enable flows of information across boundaries. Both of these aspects have escalated in prominence and importance since the rise of knowledge economy policies, the growth of the Internet and new digital tools. These developments intersect with the interests of large corporations in generating profits from knowledge production activities and in providing knowledge-production and information architectures and infrastructures (rents from platforms, search engines, Internet Service Providers), of governments seeking to lock in their competitive advantage versus others also concerned about security and domestic interests, and citizens increasingly constructed as e-citizens living in a digitally-mediated world.

Michael Geist (2016) has undertaken a comprehensive review of the TPP rules around intellectual property and copyright. Noting earlier concerns by critics as to where the balance might lie – between the users and the creators – Geist argues that the final text suggests that this sits with the creators and not the users. In relation to copyright, under TPP, copyright will now be set at the life of the author plus 70 years (20 years more than most jurisdictions, like Canada, New Zealand, and Vietnam) (Geist, 2016: 6). Penalties for infringement include criminal liability.
At first glance those in the education world, who are creators as well as users of copyright, might see this as a victory. As creators of works those who use the materials that they have created are subject to copyright law. However, academics, teachers, text-book writers, songwriters and so on, have mostly signed contracts for the publication of their papers with publishing firms signing away their intellectual property. Open access can be ensured immediately, if the creator/author pays a significant sum (this can be close to £2500 per article. This limits what knowledge is immediately available, and to whom, and what is not. Under TPP, therefore, extending the term of copyright extends the costs to consumers (learners, teachers, researchers), and the returns to the publisher. Digital locks, activated as part of Digital Rights Management (DRM), are used to control access to, and use of, digital content. Again, this increased the rents that can be charged on a non-material product. This is important in the field of education, because unlike a material good (in the form of a physical book, CD, record, and so on) owned by the individual, or a library where multiple reads/listens/readers/listeners are possible over time, a digital lock can limit the number of users, downloads, the length of time the digital material is available for, and so on. The costs for the consumers of digital materials again increase for education institutions, teachers, learners and researchers.

Contradiction 2: Placing economics beyond politics Vs policy to manage crisis tendencies in economy

A set of key mechanisms in these recent bilateral, regional and mega-trade deals is more and more social policy issues included (labour, social sectors, and so on), that more and more of the state’s existing regulatory activity is to be opened to trade over time, and that the Investor-State Dispute Settlement mechanisms intentionally limit or make difficult political intervention and policy reversals. The reason given for this is that in order to ensure investor confidence in a sector, the investor needs to know that there will not be a change of mind by a government as to what is open to trade and what is not. Or, as Mann puts it: “For capitalism to function today, tomorrow must be capitalist. The future is the premise of the present” (2008: 4).

However, as Beckert (2014) points out, though we cannot know the future, this does not stop either the state or the capitalist from attempting to structure our social worlds using social devices, such as rules, social norms, conventions, institutions, social structures and power-relations. These in turn limit our choices as actors, but it also makes actions more predictable at the same time (Beckert, 1996: 820). Much of Beckert’s work goes on to look at what he describes as the micro-foundations of economic action; that is, the mental representations of future states he calls ‘fictional expectations’ that guide and structure action. Beckert’s approach is particularly helpful for my purposes, for I am interested in understanding the ways in which capitalists, along with strategic actors like the state, engage in, and benefit from, imagining and thus acting with regard to capitalist markets. By seeking to control the future through the specific details of these trade deals, these capitalist investors have placed the economy beyond politics.
In their 2014 Trade and Investment Report, the United Nations Conference on Trade and Development (UNCTAD) signalled their concern over the steady erosion of national policy space as a result of Regional Trade Agreements and Preferential Trade Agreements with Investor-State Dispute Settlement mechanism. Similarly, there have been major concerns expressed by a range of critics, social movements and small to medium-sized businesses regarding locking in one model of economic development into the future.

The contradiction here of course is that in privileging the interests of corporate-led global capitalism in trade deals by placing economics beyond politics, national and regional political elites deny themselves the policy space to manage the inevitable crisis tendencies within capitalism. Looking closely at which fraction of capital is visibly present in promoting these trade deals it is clear that they are the large corporations – and particularly tech companies – including Google, Facebook, Cisco Systems, Hewlitt Packard, amongst others.

Contradiction 3: Limits on policy space to manage society Vs social inequalities demanding policy levers for legitimacy and social cohesion

This third contradiction follows on from the second regarding the limits placed on the capacity of the state to use policy to regulate education as a social sector. By redefining education as an economic good to be regulated by trade rules, the state puts in jeopardy its capacity to govern, and thus its own legitimacy regarding those it rules with regard to the social contract. More than this, in limiting its own capacity to regulate the state is increasingly unable to either mediate, or manage, the social consequences of unfettered corporate capital, and the consequences of the core problems facing the state arising from ongoing uneven development, unfolding social inequalities and social cohesion.

The failure to properly regulate corporate capital has been pointed out by writers like Thomas Piketty (2014), amongst others. Piketty (2014), Dorling (2014), Sayer (2014) are just a few who point to the spectacular concentration of wealth in a small elite as a result of a particular configuration of tax and labour laws, social norms, and other institutional arrangements in countries like the US and the UK. Education has not been immune to these processes. Indeed, as I have argued elsewhere (Robertson, 2016) education sectors have faced many of the same outcomes – of growing education inequalities and social injustices - as a result of the state’s governance arrangements. The greater these inequalities grow, the greater the legitimation and social cohesion shortfall, leading to pressures on accumulation and the tendencies to crisis.

Contradiction 4: the hegemon’s regulatory space Vs interdependencies and the boomerang of crisis
A key feature of these mega-trade deals is the ways in which the US has used these to advance its own hegemonic interests – particularly in the Asian region, in relation to Europe, and also the services sectors. In looking closely at the TPP, for example, partner countries like Canada, Malaysia and Australia have opened up their education sectors at all scales to chapters on government procurement, for example, but the US has not. Similarly, the US has sought to impose its own digital architectures on other trade partners, limiting what it declares is digital protectionism, whilst failing to see that it exercises digital protectionism for itself. In creating the conditions for itself as hegemon, including limiting the regulatory capacity of its trading partners, the US is seeking to manage its own tendencies toward crisis.

Yet there is a fundamental contradiction lurking here in that in seeking to be the hegemon, the US, by imposing its own trade rules on other parties in ways that limit their political capacity to govern, crisis tendencies within these settings will have consequences for the US because of growing and deepening inter-dependencies between nations. A crisis in one country will inevitably boomerang back to the hegemon, precisely because it is dependent on the accumulation strategy and regulatory capacity of the other parties to the trade deals.

Conclusion – A Crisis of Crisis Management from Trading in Education Futures?

The purpose of this paper was to explore the contradictions and crisis tendencies inherent in governance arrangements when education is treated as a commodity, bought into recent mega-trade deals and subject to its disciplines. Drawing on Offe (1984) I argued that contradictions become manifest when “…the necessary becomes impossible and the impossible becomes necessary” (p, 132).

The paper identifies four contradictions which have emerged as a result of attempting to resolve the crisis of accumulation in the 1970s through bringing education more directly into the regime of accumulation through the development of globally-competitive knowledge economies and service industries. In doing so, I am not suggesting that over the long haul, education has been immune from the crisis tendencies of capitalism.

A key argument I put is that education in capitalist states must deal with the state’s core problems: of boosting accumulation, creating sufficient legitimacy for capitalism as an unequal system of development, and ensuring social cohesion. Education policies have been central to dealing with these issues over time and across space. However the current round of mega-trade deals, largely driven by the interests of the large global corporations, now includes education as an economic good, placing its other mandate – that of being a human right, at risk and open to new pressures.
Yet making education central to accumulation strategies, on the one hand, and subjecting it to the particular disciplines of these trade deals that tries to limit the state’s political arm and policy space, the state has lost the means to keep recalibrating institutional arrangements that help with redistributive activity and recognition issues. In essence, then the state has lost its means of engaging in what Offe (1984) describes as the manager of crisis tendencies face capital. In losing governing capacity through the loss of policy space, it has created a perfect storm for itself; the potential for a crisis of crisis management. This will increasingly matter as a result of the closer integration of education into the global economy through trade deals. Together with the fundamental contradictions embedded in these deals, new crises and problems of crisis management for the state, education and the economy will create, placing new pressures on the social contract which the state is unable to manage.

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