

# The amoeboid neo-liberalism and the rising state commercialism in education

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**Abstract:** Recently, the pros and cons scholars of educational marketization all refer to the enormous influences affected by neo-liberalism. Without doubt, it occurs to the related researches that the function and characters of market will create a decisive impact on education development. Nevertheless, according to this authors' study, neo-liberalism is not the way as it was, it is because the role of the state has been shifted from shrinking back to swelling out in terms of the ways of manipulating policies. The state is no longer the rolled back actor as a small government following the original neo-liberalism context, but becomes an invisible hand behind serial discourses and standards making. This study has taken England for an example to review the spread of marketization in education, especially under New Labor's authority. Context and developed discourses on neo-liberalism are analyzed before examining the related policies in England. The result of the research argues that, though neo-liberalism still firmly wins its high value in running education, it has been through an ingenious change in terms of spreading processes. Under New Labor's authority, serial legitimate discourses from public sector were released and formed another new ideology. The boundary of public and private sector of running education, especially in secondary education, has been redefined. This change has turned England into a new type of "neo-liberalism" territory. Based on the involvement of public sector in manipulating serial privatizations, it reveals the phenomenon of "state commercialism".

**Key words:** neo-liberalism; state commercialism; education policy

## 1. Introduction

The development of education has its historical interactions among social trends, main stream values, technologies, cultures and ideologies. Exploring the latest trend, the value and changing of ideology affecting education is the main theme of this paper. From a holistic point of view, many researches raise neo-liberal thought to a vital position and treat it as a great impact while discussing education policy-making and developing. As Apple (2003) argued, the rising value of educational marketization has been strengthening its influences since 1980s. If it has to know the concept of this development, then knowing the role of the state apparatus will be at the first priority. The recently serial discourses focused on "devolution" or "autonomy" education reforms are coming from this point as well. Giroix (2004) indicated that the market-oriented discourse would drive public education leave a whole new space to the private sector for nurturing the education participation energy. This will change the

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original public educational system and create a new managerial mechanism.

In fact, Adams (1998) had brought up his idea that neo-liberalism might be the shiest illuminate on political spectrum in western countries. Furthermore, it has permeated various of organizations and forms a new type of power. Thinking of educational reforms stressed on competitiveness and accountability, Hill (2001) had further explanation on this and pointed out that the state apparatus had already controlled the source of education—teachers education. All the student teachers had been controlled and moulded and took all the related norms and reforms for granted. The state apparatus also has legitimized the need for catching up global economic competition and root it in the value of pedagogy, even though it might do harm to the spirit of social justice.

Many scholars (Apple, 2003; Giroix, 2004; MacLaren & Kincheloe, 2007) worried the discourse of market based on neo-liberalism will spread as a wave, from industrial countries to developing countries, beating the shore of education. Under the influences of neo-liberalism, the public education has been invaded by private sectors and turns education into profit-making oriented. Following the dominance of neo-liberalism, value of capital and wealth has overrode the civic virtue as it was, the meaning of education management has come to a turning point. The influences of neo-liberalism are not only on economic and political activities, but also on the transformation of school management, knowledge producing and education beliefs.

From critical pedagogists' opinions, neo-liberalism to education is as a tsunami to the embankment. The point is, after stepping into the 21st century, will this ideology last its dominant influence or will it be changed/replaced by another discourse? This study will find an answer to it. On the other hand, the concept of "paradigm change" from Kuhn (1962; 1996) also forced this study to find out the "next move" of neo-liberalism. What Kuhn (1962; 1996) suggested is, people need to constantly examine the existed paradigms or theories with every possibility, then they can breakthrough the limitation to a new scientific discovery. Therefore, this paper highly holds the expectation towards what Kuhn suggested, "Any new scientific finding or theory comes from one or few researchers' close observation" (Kuhn, 1962; 1996, p. 144), focusing on the development of neo-liberalism and its connection with education.

This study will argue that, though neo-liberalism still owns its stable status in education with promoting the value of marketization, it has been through an ingenious change in terms of preading processes. With such change, a new way for educational reform will be formed, that is, the boundary of public and private sector of running education will be reshaped. England will be taken as the context to analyse by exploring the change of education during last decade. To follow up the above description and demonstrate the development of neo-liberalism, role of the state and the related policies will be further discussed as following.

## **2. Role of the capitalist state**

According to Harvey (2005), it always goes with the role of the state while having discussion on neo-liberalism. It is because what neo-liberal focus on is how the state abdicates its legitimate power from the market operation. Skocpol (1985) argued that the state should be brought to the central position and serve as the basis when analyzing policy-making and social changes. In the 1990s, Dale (1990), holding the same view and having analyzed relevant economic, political and social discourse, pointed out that there was still not a systematic educational discourse. Codd, Gordon and Harker (2001) also indicated that even though the power of the state had taken root in modern society, the research findings on education were scarce. Theisens (2004) also pointed out the fact that sociologists had long neglected the analysis of the state role, and regretted that researchers overlooked the

importance of it. Therefore, the authors think it is vital to carry out a systematic exploration of this issue.

Although the views of the connection between the industrial society and capitalist society remain divergent, e.g., Dahrendorf (1959) argued that only by using the term “industrial society” could people cover the development in the modern western society, and capitalism was merely one of the many elements for the industrial society, there are also scholars, for example, Miliband (1973) suggested that people had to use the concept of “capitalist society” to cover the western social model. Both descriptions, in the authors’ opinion, followed and developed out of the Marxist discourse on the economic production model. This was not merely an economic model, but a social relationship. The authors’ research shows that many ideas about the state proposed by later scholars were based on Marx’s criticism on capitalist society; thus, the authors would begin with this characteristic and follow up with relative explorations.

Marx and Engels (1952) thought that the conflicts aroused by the possession of production instruments, employment relation and distribution of goods made up the vital factors for the civil society and the state. The above “economic” factors, therefore, became the essential content in his social analysis. They argued that in a capitalist society, the class-division resulting from this production relation would cause changes in the state’s structure, role and functions.

Later, Marx and Engels (1952) got deeply involved in political activities and formed the communist league as the realization of their ideas. They drew up *The Communist Manifesto*, in which they attempted to seek out a popular analytic pattern for their political views. As to the role of the state, they provided a simpler interpretation: “The state is merely a committee that governs bourgeois affairs” (Marx & Engels, 1952, p. 44). From this, it can be seen that the state’s role, in Marx’s viewpoint, was nothing but a social composition pursuing economic interest. This organization, made up of different social classes, however, was an instrument of the bourgeois class, who dominated productive instruments.

About Marxist productive instrumental determinism, Weber (1978) brought up a different point of view. Although Weber (1978) admitted that economic factor was the driving force for a state, he thought the bourgeois class did not deprive the working class only in the capitalist society. He pointed out that all of these originated from the system, and were results from the bureaucratic operation. The laboring process under the bureaucratic system was a monotonous functioning. The same thing happened to the entry-level workers in large agencies, such as hospitals, colleges and government departments. Thus, the problem was not what Marx and Engels (1952) suggested, a deprivation of productive instruments (Weber, 1978). As a result, Weber argued that the state should be built upon a system reform, thinking how to build an adequate bureaucracy. He thought that democracy was an acceptable though unsatisfactory method during this process, for the democratic system was at least capable of maintaining public involvement to some degree, which helped lift restraints and open up the bureaucracy. He thought, therefore, political power was the source of dominance among all human relations. As he further said, “There were many types of power relations in social action, among which the political power played the decisive role” (Weber, 1978, p. 283). By this, he showed that political power was just the final outcome of various forms of power competing.

The above social actions actually had different power relations, including economic activities, social-class distribution, social-power sharing, and so on. The exercise of political power after the interactions of these factors affected many considerations of social action in return, including class interest, family tradition, ideology, and so on. These relations put political power in a highly complex situation; therefore, people need extra attention when dealing with the existing and prospective facts. From this, it can be learnt that according to Weber

(1978), the fundamental understanding of the state should begin with aspects, such as the nature of power, type of dominance, basis of political power, and trend of rationality and bureaucracy in human social action. But now, people come to realize that this analysis has never expanded its scope further; instead, Marx's viewpoint generated further discussions.

Concluding from the Marxist's view on state's operation in a capitalist society, it can be told that the discussions were based on the subject of class, which held that the state was a ruling instrument under the control of the ruling class; the state was an executive committee that exercised bourgeois will. The instrumentalism held by Miliband (1973) was based on the same reason, and he thought that the dictatorship by the ruling class would concentrate the wealth on a minority and duplicate the ruling by this class dominance (Miliband, 1973). However, this view was later revised by many Marxist scholars. They thought that there did not exist a totalitarian "ruling class"; to some degree, it was a composition of elites. Among other related discourses, Poulantzas's (1973) was the representative. He argued that there was, in different stages or among various members in the same stage, a "relative autonomy" in the state. He suggested that the "relative autonomy" of the state was a role with the function of "constituting the factor of cohesion between the levels of a social formation" (Poulantzas, 1973, p. 44). According to Poulantzas, the role of state to keep the coherence was based on the fact that there was continuity in the social productive relations, and the state was responsible for keeping this continuity. However, Poulantzas also pointed out that the state's role for coherence did not suggest that the state was the mediator. Therefore, he came up with the idea of "relative autonomy". He further clarified that his theoretical position in the capitalist state was mainly on the emphasis of the state's relative autonomy, as he wrote:

I can give no general answer—not, as Miliband believes because I take no account of concrete individuals or the role of social classes, but precisely because the term "relative" in the expression "relative autonomy" of the State here refers to the relationship between the State and dominant classes. In other words, it refers to the class struggles within each social formation and its corresponding State forms. (Poulantzas, 1973, p. 72)

Poulantzas (1973) also pointed out the limitation of this autonomy: It could only be associated with the ruling class's political interest. The capitalist state, he reaffirmed, was obviously a mixture of political organizer and integrator, who sought an unstable equilibrium among conflicts. The development of this role came with a relative autonomy.

Giddens (1986) questioned Poulantzas's relative autonomy. He threw out the questions: How could a state possibly achieve the so-called "relative autonomy"? How did the autonomy form? He thought that Poulantzas did not clearly lay out the developmental context, and even avoided questions like: What was this autonomy based on? How "relative"? How to define the other relative object? These questions remained unanswered. Nevertheless, Giddens did not bring out his view on how the state operated. But his contemporary Offe (1984) suggested that it could not correctly explain, solely by Marxist ideas, the circumstance the capitalist state was in. He thought that the state was facing the dilemma of economic growth and social welfare. These 2 were in conflicting arenas. The former resulted from capitalist and corporated operation; the latter was the requirement which could only be met through taxation. However, more taxes were apparently in conflict with capitalists' interest. Offe pointed out that these would form a long-term opposition in the state, the outcome of which was 2 contrasting public-service orientations: commercialization and anti-commercialization.

### 3. The forming of neo-liberalism and the change

Take England for an example, within the fervent callings for anti-government and anti-regulation all over the world, the government-dominating welfare services were drowning in the de-government appeals. The de-government appeals, according to Jessop (1991), came from people's dissatisfaction with government efficiency. He pointed out that although the economy was stagnant, rich capitalists and middle class kept on reaping benefits from political kickbacks. Moreover, people were tired of the 2 parties' prolonged dispute over political issues, which intensified their dissatisfaction. The last straw was the economic and global crises. People could not tolerate the 2 parties' economic policies anymore, and even regarded the 2 as impotent governments. Thus, after Thatcher's inauguration in 1979, she made proactive adjustments, getting rid of the Fordism and moved to an open, market-driven neo-liberalism, or the new right. Jessop pointed out the "Thatcherism", developing when Thatcher was in power (1979-1990), was considered as the core of neo-liberalism, out of which came the post-Fordist society.

The neo-liberalism was different from Keynes's "new liberalism". The former appeared in the 1970s and gradually gained its ground in the 1980s as a political-economic philosophy. Neo-liberalism despised or was against government's direct economic intervention, and it supported social justice by means of a free market and reduced restrictions on business activities and economic development. In neo-liberal thoughts, free trade, free market, capitalism and social net-earnings were able to cover government expenses under any circumstance, which was also recognized as the new right (Offe, 1984; Giroix, 2004). New liberalism was born, together with socialism and anarchism, in the second half of 19th century with modifications in Locke's classical liberalism. Mill (1844, p. 4) was the representative figure. He was not satisfied with the narrow understanding and passive explanation of classical liberalism, thinking that liberty meant not only unconfined freedom, which was a passive kind of liberty, but also included self-realization and developing personal talents. This thinking deeply influenced Keynes, leading him to propose the abovementioned idea of the equal social-welfare state (Keynes, 1997). The policies then did not include the "Keynesian" great-government investment, but the "Schumpeterian" market-oriented flexibility and innovation (Jessop, 2002).

Coined from Schumpeter's (1994) economic theory in the 1980s, the "Schumpeterian state" generated wide discussions. Although Schumpeter did not introduce the idea of globalization, his "entrepreneur", "creative destruction" and "innovation" in the 1940s were viewed as the catering and adjusting model in a capitalist society in the process of globalization, and this 3 factors became the core viewpoints in economic mainstream discourse. As Jessop (2002) argued, globalization brought 2 main changes in the nature of economy: technological revolution, which did not confine in high-tech only, included the technology that boosted productivity in traditional industries; and financial revolution, which, with extremely high transparency and vitality, supported the innovation of technology.

Before Schumpeter, most sociologists maintained Marxist thoughts. And the major issues of the operation of a capitalist society were based on the ownership of productive instruments, deprivation and social classes. Schumpeter (1994) brought in a new point of view, holding that entrepreneurs and market demand played the leading role. This view became an important analytical focus when the western countries faced the globalization. Because of her economic environment and change in government's attitude toward policy-making, Britain had gone through a process of reflection upon her stance on welfare state and brought in the spirit of marketization, from Conservative Party's rein in 1979 to New Labor Party's taking over in 1997. The progress somewhat echoed

the market-oriented “Schumpeterian state”.

Having examined modern political-economic situations, Carnoy, et al. (1999) suggested that the major driving force for the shift of the state’s role was globalization, which roused a questioning of the values of the socialist welfare state. Offe (1984, p. 88) argued that in the trend of global competition, western countries faced the conflict of national competitiveness and welfare provision. If the welfare services kept on expanding, it would jeopardize the capital accumulation in a state and threaten her global competition. However, without welfare services, the state would split because of class inequality. Facing this dilemma, Offe (1984) suggested that the state should progress to the “Weberian” state, i.e., a “state-technical” under the guidance of Schumpeterian economic guidelines, which emphasized a bureaucratic, effective agency. Therefore, when dealing with competitive pressure from globalization, the state should react with a skill-oriented and labor-division method to strengthen her competitiveness in different arenas.

As Devine (2004) indicated, under the economic influence of “rational decision” and “efficacy”, education underwent a transformation, and moved towards an economic and rational characteristic. He argued that rational decision was a major feature of neo-liberalism. In terms of global thinking, rational decision was the enhancement of competitiveness, which could be interpreted as “education under the economic rationalism”. It can be seen that the changes globalization brought on education was a transition from the state providing educational service to the consumer-oriented thinking with the features of an economic market. While the state policies were realizing economic rationalism, the nature of state’s provision and intervention in education was also changing.

Facing these managerial thoughts of increasing competitiveness and strengthening effectiveness, the state apparatus showed a shift towards indirect control, as Archer (1984) suggested. With empirical research findings, Morrow and Torres (2000) pointed out that more and more semi-official agencies shooting up were to implement state’s key policies. On the face, it was division of labor, but deep down the state still took control. It can be learnt that scholars holding this view thought that the state apparatus changed to an indirect way, seeking methods that boosted technology and efficiency, among which the privatization came to the foreground to achieve the goal of marketization. When examining the relationship between globalization and education, Daun (2002) pointed out that, driven by economic forces, the state’s educational policies developed a homogenous quality, moving towards privatization in the market mechanism to increase efficacy. Daun even suggested that the state became the major broker in the market mechanism. Thus, with the discourse to justify global competition getting hotter, involvement and capital from the private sector and other relative factors were legitimized as part of policy-making. Corrales (1999, p. 19) indicated that this act had equated capitalists with “political privileges” in the process of educational policy-making. Capitalists, through getting involved in policy-making and gaining financial support from government contracting, received more benefits than others. In this context, capitalists were an important element in policy-making, because they played the decisive role in the continuity of government’s reins.

When educational implementations moved away from the welfare state spirit to the new right post-welfare state climate, the provision of educational services gained the feature of market determinism. International entrepreneurs and capitalists who shaped up the economic conditions teamed up with the state apparatus, and their partnership showed in policy-making. For example, under the new right influences in the 1980s, the state exercised substantial control over curricula by the appeal to returning back to fundamentals and lifting standards. All these appeals and slogans originated from the new right political terminology and gradually formed a global educational policy discourse (Klees, 1999). Regarding the marketization of education, Corrales (1999) thought that it should be viewed from the macro political-economic perspective, and link the changes with the

self-sustaining needs within the global competition. In addition to capitalists' will, he thought the reason why the state showed such interest in education was the link between education reform and economic development. Probing deeper, the interest came from the need to respond the global economic competition by enhancing educational quality.

#### 4. Neo-liberalism and education

The New Labor government deviated from their leftist socialist stance in the late 1980s. Since their seizing power in 1997, it can be seen that Blair's leadership and the third way merging old left and new right actually helped the New Labor Party gain recognition, based on their consecutive victories. But many scholars (Dorey, 2005; Ball, 2007; Turner, 2007) also pointed out that under the impact of globalization, many of the Party's policy-practices were mainly based on the economic priority, which can be seen in their 2005 slogan: "Britain forward, not back", emphasizing an economic society with equal opportunities. The education policy at that time was the Party's major force to boost the economy. As to the implementations, they added the "More children making the grade" slogan (Labour Party, 2005) to their major appeal of lifting learning standards. In their 2005 campaign manifesto, the Party replaced education with the economy boom as the priority. Regarding the importance of lifting the quality of labor, the New Party's educational policy-making was closely connected with their economic developmental discourse. Accordingly, business management strategies were incorporated into their school management, hoping to improve schools' efficacy and raise the quality of economic manpower.

Giddens (2004) pointed out in an interview before the general election that if the New Labor Party got to continue their reins in the third phases, their goal would be to lead Britain from the Thatcherite society to a social democratic society. He argued that the latter was to shape Britain as a "cosmopolitan" country, instead of the confined Thatcherite national state. So, the country needed a sound and effective public sector to induce opportunities for economic exuberance. As a result, the Party established many semi-official agencies to serve as the platform to increase efficiency and draw the private sector's engagement in public affairs.

In practice, this was a series of privatization, including education. Dorey (2005, p. 254) thought that the notion formed as early as the early 1980s. He pointed out that the establishment of the semi-official agencies assisted in "regulation" in the public sector. He even suggested that, by keeping up the trend of semi-official agencies, the government would merge with these "agencificated" organizations and form a great "regulatory body". Despite a notion originated from the Conservative Party, it has turned into widely-implemented policy thinking for the New Labor Party since 1997, and expanded in the Party's third phase in power. Table 1 shows these semi-official agencies that carry out official policies.

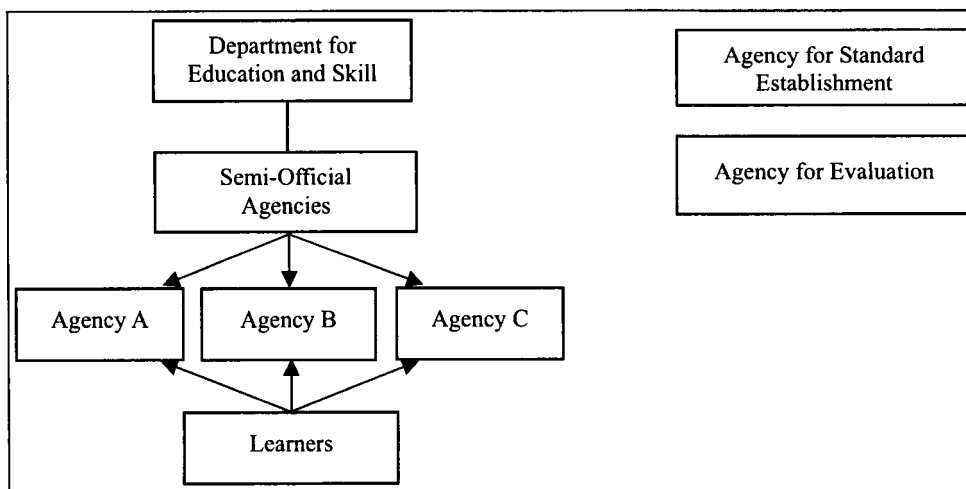
The establishment of these agencies, such as QCA (Qualification and Curriculum Association), was the way the state tried to adapt to the outer changes. Turner (2007) suggested that, under the influences of globalization, the New Labor government dealt with the pressure from global competition by carrying out decentralizations and privatizations. This approach solved the difficulty of running the giant state apparatus and flexibly took advantage of resources from the private sector. When the New Labor Party came in power, the state was trying to create a "permissive framework" for the educational system, because the idea of free market, evolved from the New rightist thought since the 1980s, has gradually took root in primary, secondary and higher education. When the New Labor Party seized power, they also agreed that the state should step aside from education. Thus, many legal acts after 1997 have put great emphasis on offering access to the private sector. In this context, it is understandable

why the New Labor Party set up many semi-official agencies as regulating bodies stimulate the education market. Because of these agencies, the government could transfer the policies to the private sector for implementations. An important feature was that every agency was responsible for one single target, for example, evaluation, curriculum design, faculty training, and so on, as shown in Figure 1.

**Table 1 Semi-official agencies for policy-implementations**

Name	P.S.
Advertising Standards Authority	
Consumers' Association	
Financial Services Authority	
General Consumer Council for Northern Ireland	
Funding Agency for Schools	Education
Higher Education Funding Council for England	Education
Higher Education Funding Council for Wales	Education
National Consumer Council	
Office for Standards in Education	Education
Office for the Regulation of Electricity and Gas	
Office of Communications	
Office of Gas and Electricity Markets	
Office of Telecommunications	
Office of Rail Regulation	
Office of Water Service	
Police Complaints Authority	
Postal Service Commission	
Postwatch	
Quality Assurance Agency (Higher Education)	Education
Press Complaints Commission	
Specialist School and Academy Trust	Education
Trading Standards Institute	
Walsh Consumer Council	

Source: Compiled from Dorey (2005, pp. 254-255).



**Figure 1 Quasi-market organizations in the United Kingdom**

Source: Turner (2007, p. 101)



According to Whitty (2002), the idea of “rolling back the state” to create free market, which was heavily promoted by the Conservative Party in the 1980s, would be adopted partly by the New Labor Party. Though Whitty did not pinpoint the difference from the Conservative Party after the New Labor Party seized power, according to the authors’ analysis, he would like to point out that the difference lies in the fact that the New Labor Party subtly differentiated power into diverse semi-official agencies to pursue the traditional values. From this, it can be seen that, with the control of these agencies, the New Labor Party has redirected the UK to an “audit society” that focused on performance and standards, as Power (1999) indicated. The term “audit society” originated from the financial profession. However, since the 1980s, due to the increasing highlight on performance, other fields have adopted the term to show a practice that stressed professional evaluation for results, for example, medical audit, technology audit, environment audit, teaching audit, and so on. The “audit” trend prevailed in the British society. The educational policy under this influence, e.g., *Education Act 2005*, shifted its focus to school inspection (DfES (Department of Education and Skill), 2005). The fact fully showed the realization of the nature of audit. The regulatory body formed by official and semi-official agencies, audited educational standards, and stressed more and more on performance, heightening its market-driven quality.

*Education Act 2005* delegated more power to the OFSTED (Office for Standards in Education) and LAs (Local Authorities). They had the right to forcibly intervene the failing schools, marginalized pupils due to their socio-economic status and schools dropouts. The LAs could outsource the administration of the failing schools to privately-owned firms or trust. Therefore, Green (2005) indicated that in the era of globalization, capitalism surpassed socialism. That is, people’s expectations from the government differed from the past because of the change of economic competition mode. The state hoped to better the services in the public sector by bringing in private sector’s efficiency. The state wanted to take advantage of private corporations’ edge to improve education. The measure was known as “PPP: Public-Private Partnerships” and “PFIs: Private Finance Initiatives”.

As a result, in the third phase of the New Labor Party’s reins, the mode of public-private partnerships for school management has become a vital part in policy-implementations. However, one thing deserves people’s attention: All the discussions about policy-making and implementations covered only how private sector was introduced into the failing schools and the justification of the approach, but there was no mention of the newly-formed interactions between semi-official agencies, LAs and policy-feedback.

## **5. The birth of state commercialism**

This paper pointed out that the neo-liberal thoughts could no longer fully explain the state’s role during the educational marketization. Though most scholars still worshiped the neo-liberalism, as to the educational policy-making and promotion, the state’s role in the marketization process was no purely the weakened role as the neo-liberalists deemed. Therefore, people need another approach for explanation.

In retrospect, under the Conservative government’s fervent calling in the 1980s with the neo-liberal thinking to boost the slow economy by marketization, the “rolling back the state” principle was the norms, aiming to play down the state’s influences to revive the market economy. This adjustment in policies actually eased the economic hardship and became a useful device in the post-welfare state era.

However, with the increased influences from globalization, problems the British government encountered were no longer domestic welfare problems or a better economy only. Regional and inter-continental competition brought by globalization forced the government to face the urgent needs of enhanced quality of human resources

and education standards. To ensure that nothing goes wrong during this process, the government intervened in standard setting and supervising implementations. But these interventions have gone astray from the neo-liberalism, and they were not even Giddens's Third Way. It was a highly-monitored and interfered state model, the goal of which was to direct public services toward privatization.

Consequently, the authors would like to argue this trend, based on the neo-liberal marketization but going beyond the neo-liberal implementations, was the rise of "state commercialism". The mode of the state, as an active-intervener leading the planning of market scale and functions, was the operating pattern of the state within economic structural changes. This pattern responded to the shift and dynamic qualities of the state, and it reflected that the barter characteristic which stressed market competition has rippled its influence into policy-making. Therefore, this research suggests that the state's role, developing out of this aura, was of state commercialism; that is, through the power of the state, the government strived to consolidate the quality of commoditized public services, and with the values brought by marketization, seek social recognition.

Though the market under the influences of state commercialism did not show any sign of the state's existence, its invisible powers could be felt. Table 2 shows the differences between state commercialism and other liberalist thoughts.

**Table 2 Comparisons between state commercialism and others**

Schools of thoughts	Classical liberalism	New liberalism	Neo-liberalism	State commercialism
Features				
Originator or promoter	Thomas Hobbs (1588-1679) John Locke (1632-1704)	John Mill (1806-1783) John Keynes (1883-1946)	Government of Margaret Thatcher	This research
Argument	Natural rights, the state's obligations to guard them	The state should more actively protect people's freedom	Rolling back the state to prevent intervention for a lively free market	Did not roll back the state. The state controlled indirectly to promote market values and competition
Influence	Free market and democracy	Welfare state	Rise of the marketization of public services	Public-private partnership for public services

Source: Compiled by the authors.

The values of market competition, as this paper found out, have gained wider and wider acceptance through the government's well-crafted discourse. The marketization led by the state apparatus was the core value of state commercialism. Its influences resulted in the privatization and contractual practices of public services, raised the new power of the private corporations and changed the face of public services. Therefore, it can be seen that the education under the influences of state commercialism was a relay of the marketization values from the Conservative's Party's time by the New Labor government to realize and expand.

The arrival of the state commercialism era not only proved that the market competition kept on heightening, but also opened up a new arena for the international educational consultancies. In the efficacy-above-all reform, with the help from the government, the private corporations became the endorsement of the quality. Seen from the outsourced local authorities, standardized contracts have become the guideline for the local authorities' school management. Even non-outsourced authorities viewed the contract as the major criterion for achievement. The widespread impact has directed education towards a business trading mechanism that focuses on free trade and competition.

## 6. Conclusion

To sum up, it is obvious that neo-liberalism has its limitation to explain the complexity of the state during the process of marketization, though many researches might still remain the focus on it. According to this study, role of the state is no longer the shrunk one, but has been shifted into a manipulating position to dominate the privatizations. This study is trying to fulfill the need of explaining this new situation. In order to secure the practice of marketization, British government got involved in making various of standards and inspection criteria and has formed a steering power in deciding the facets of privatizations. This is not neo-liberalism, nor the third way. It is a whole new paradigm in running education—the state commercialism. The purpose of the state commercialism is to bring public service being privatization oriented. The state has become a positive role in making this change via delivering serial legitimate discourses of marketization. It also proves that the state role has been always shifted and moved with the change of the economic structure. Furthermore, the rise of the international firms in running education will be worth of being observed in the coming future.

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