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On the Market: Neoliberalism and New Managerialism in Irish Education

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Abstract

This article begins with a brief outline of the ways in which global capitalism exercises increasing control over educational policy globally. It explains how neo-liberal policies manifest themselves as new forms of ‘governance’, instituting performance as a core value underpinning management governing teaching and learning. The paper then gives an overview of how neo-liberal policies took control in Ireland and discusses some of the cultural factors that allowed them to become embedded in public policy and education. Finally, it discusses the implications of neo-liberal policies for education and the challenges that these pose for trade unions.

Key words
Ireland, neoliberalism, new managerialism, education, global capitalism, neo-liberal policies

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1. The Power of Global Capital

As recent events in Ireland and Greece have shown, nation states are not autonomous; they are subservient to global capitalism in an increasingly visible way in this post-Westphalian phase of history (Fraser, 2008). Nation states exercise little hold over the movement of capital, especially in the case of small countries like Ireland. Moreover, global capital frames national priorities, even if its influence is mediated through nominally ‘democratic’ institutions like national parliaments or via multilateral policy bodies.

Given the interface between education and the economy, powerful global institutions also exercise growing influence over national educational policies. Multilateral agencies such as the OECD and the World Bank, political institutions such as the European Union, and the compradors of global and local capital that operate within and without nation state boundaries, all exercise degrees of influence over education. Control and regulation is often indirect, as in the form of ‘advice’ from the World Bank or the OECD: the ‘Country Reports’ of the OECD, for example, are thinly disguised ‘surveillance’ procedures promulgating a new market instrumentalism in education under the guise of ‘independent’ expertise (Henry et al., 2001). At other times, the pressure to commercialise is direct: turning education and other public services (especially health) into marketable services is a specific goal of the General Agreement on Trade and Services (GATS) which (Robertson et al., 2002).

2. New Managerialism

The power of global capital to dictate the modus operandi of public policy is nowhere more evident than in its influence on public service management. One of the key policy changes institutionalized across the Western world from the 1990s onwards has been the development of that what is called New Public Service Management or New Managerialism. New Managerialism is not a neutral management strategy; it was and is a political project, borne out of a radical change in the ‘spirit of capitalism’. (Boltanski and Chiapello, 2005). It is management strategy for neoliberalism. Its express purpose is to institutionalise market principles in the governance of all organisations, be they public or private (Clarke et al, 2000:7).
Consequently, when and where it was implemented in the public sector, new managerialism focused organizations on outputs measured in terms of performance indicators (often regardless of inputs or resources); it emphasized the language of choice, competition and service users; it promoted the decentralization of budgetary and personal authority to line managers, and project-led contractual employment arrangements rather than permanency (Chandler et al. 2002; Clarke and Newman 1997, Clarke et al. 2000: 6, Court 2004, Docking 2000, Jennings and Lomas 2003). What was significant about new managerialism is that it was not only exported through the veins of neo-liberalism between countries (Boltanski and Chiapello, 2005, Harvey, 2005), it was also exported systematically from the private to the public sector as a mode of governance. It involved the inculcation of market values and practices into the regulation and organisation of the public sector (Farrell and Morris 2003).

New managerialism instituted a narrative of strategic change within which strategic planning became imperative; it also involved a new organizational form which was performance-led and where measurement was paramount; people were and are always measuring themselves up and down. Finally, it involved the introduction of a control technology of ‘performance indicators’ that only measured what could be counted. This challenged established practices among professionals, including the professional autonomy of educators (Deem, 2004). Relentless output-led monitoring also undermined the care and nurturing dimensions of teaching and learning due to their immeasurability within the confined time frames of performance indicators (Lynch, 2010; Lynch et al., 2012). Evidence from the UK showed that teachers found themselves increasingly driven by a culture of performativity, where only what counted on rankings mattered (Ball, 2003). Those students who could not enhance rankings became devalued, especially those with learning difficulties or differences (Tomlinson, 2008).

Within education, new managerialism also redefined what counts as knowledge, who are the bearers of such knowledge and who is empowered to act - all within a legitimating framework of public choice and market accountability (Lolich, 2011, Olssen and Peters, 2005). The choice ideology was the carrot which sold privatization and marketisation. But the rhetoric of choice concealed the fact that in a
market-led system, only those with resources (money) can buy education and health services that are privatized.

3. The Historical Context of Neoliberalism in Ireland

Ireland operates within the Anglo-American zone of influence for reasons of history, culture, language, colonization and trade. It is not surprising therefore that it also displays many of the features of its powerful neo-liberal neighbours in terms of its social, health and education policies (Esping-Andersen, 1990; Houtsonen, et al., 2010, Korpi and Palme, 1998; McDonnell and O'Donovan, 2009). While the tone and pace of neo-liberalism was accentuated in the Celtic Tiger era, Ireland was not a newcomer to pro-market politics in the 1990s. Ireland never had a socialist government that might successfully institute public control and ownership of key services, including education (Allen, 1997). Organised labour was not a powerful player in a state consumed by nationalism after the partitioning of the country in 1922. In post-independent Ireland, socialist, communist, and even social democratic labour, politics were demonized as dangerous especially in the 1930s (Lee, 1989: 184). The Catholic Church played a key ideological role in resisting anything that smacked of socialism (Lee, ibid: 313-322).

Given the ideological and political closure of Irish life, it is not surprising that Ireland failed to develop economically and socially after independence, and that it did not develop a strong welfare state comparable to those in Northern and Western Europe in the post-World War II era. There was a socially disengaged (and social-justice indifferent) nationalism at the heart of official public thinking. This was guaranteed by the lack of investment in academic scholarship and research in the social sciences, with the exception of neoclassical economics (Lee, 1989: 563-77). Lack of research and education on social issues effectively closed down intellectual dissent; there were no socio-cultural spaces in which to debate ideologically opposing positions from an informed research perspective.

Although none of the major political parties in Ireland openly endorsed neo-liberal politics of Thatcherism in the late 70s or 1980s, rising indebtedness led to neo-liberalism being adopted through political pragmatism and opportunism rather than explicit ideology. A muted language of social democracy remained intact but the
policy and practice belied the rhetoric. Ireland weakened its limited welfare state by greatly reducing the means to fund it through taxation. After 1987, there was agreement on the three core principles of neo-liberalism, cutting public spending, cutting taxes as a way of promoting enterprise by individuals and corporations and reducing wage costs and curbing trade union power curbed through legislation (Allen, 2000: 14-15). While individual ‘neoliberal’ events were resisted, there was no major national debate on the subject. Neoliberal policies were implemented without being named.

4. Anti-Intellectualism and Control of Dissent
The advancement of neo-liberalism in Ireland was greatly enabled by the long-standing history of anti-intellectualism of Irish political and cultural life (Chubb, 1982: 22; Phelan, 2007). Those who spoke of the dangers of neoliberalism were dismissed as ‘ideological’. There was limited or no understanding of the basic sociological principle that ‘There is no view from nowhere’ in terms of policy or political positions. There also appears to have been a silencing of dissent, a closing down of concepts and intellectual frameworks that would allow people to analyse the political and economic import of the path being taken.

While dissent was barely tolerated in literature (and oftentimes not tolerated), it was precluded almost entirely within the social sciences. Neither Marxist, critical theoretical feminist or egalitarian scholarship was included on the curricula of higher educational institutions. Irish people still are poorly educated in social and political analysis; there is no opportunity to study critical sociology, politics, women’s studies, equality studies, media studies etc. in mainstream compulsory education. The social processes of public life are not subjected to critical intellectual scrutiny except by a tiny minority in the higher education sector, and even within this sector there is often a deep consensualism and conservatism (Lynch, 1987).

This is not to say that there were no challenges to the neo-liberal orthodoxies from a variety of sources, including challenges from academics and policy analysts.

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1 The anti-egalitarianism in the economic and social spheres was aligned with a deeply misogynistic culture in which women were assigned the status of economic dependents through a range of labour laws that were supported not only by all the main political parties, but also by the Catholic Church and the powerful trade unions for many years (McAuliffe, 2011).
such as those of the Combat Poverty Agency (CPA) and elsewhere. Yet when research evidence was provided it was often only given token recognition at policy level; the politics of the powerful ruled despite the rhetoric of partnership (Allen, 2000; Meade, 2005). Moreover, disparities in wealth, wages and welfare continued to rise over the social partnership era (Cantillon, 2008).

Challenges to the Celtic Tiger ideology in the media from prominent journalists were and are construed by politicians and commercial interests as the ‘axe grinding’ of individual commentators. At a corporate level, the print and televsional media remain highly consensual; accepting the inevitability of neoliberalism and the attendant poverty and inequality it delivers (Devereux, 1998; Titley, 2010).

5. The Neo-Liberal Project and Education in Historical Context

Although the engagement with neo-liberalism and new managerialism in Ireland can be understood in the context of Ireland’s heavy cultural reliance on Anglophone countries, its strong anti-intellectualism and its hostility to the critical social sciences and cognate subjects, there were also other historical factors at play, especially in education that enabled neoliberalism to take hold.

Ireland experienced massive emigration and economic decline throughout the 1950s (Lee, 1989). Education was held to be largely accountable as it had failed to deliver the technologically skilled work force that was deemed essential in an industrialised era. Under the guidance of the OECD, a review of education was initiated in 1962 and the *Investment in Education Report* published in 1965. This report strongly endorsed human capital theory as a guiding principle in education policy (O'Sullivan, 1992). Modernisation discourses from the 1960s onwards resulted in the ‘older emphasis on education as a means of personal development [being] challenged if not replaced by a new emphasis on shaping the educational system to meet the...demands of the labour market’ (Clancy, 1998). Over the next three decades, educating students for employment, especially in science, engineering and technology became the primary focus of government policy. The overly classical and humanist orientation of Irish education, deeply embedded in what O'Sullivan (2006) terms a ‘theocratic’ approach, was deemed to be unsustainable economically and replaced with a market-led system.
The emergence of neoliberalism was most evident in the early calls for accountability. Accountability was one of the key principles informing policy development in the *Education White Paper* in 1995. This paper called for more appropriate ‘performance indicators’ for measuring educational outcomes. The Department of Education and Science began to use the language of the market from that time in its key strategy documents beginning with *Implementing the Agenda for Change* in 1996. Strategy statements from the DES retained this orientation into the new millennium where the market language of ‘customers and clients’ replaced that of students and learners (Gleeson and O'Donnabháin, 2009: 30). The EU has also helped promote a market ideology in education not least by the ways in which it has tied the purposes of education so closely with that of the economy in the Lisbon Agreement. The Department of Education in Ireland followed the UK direction as it mutated over 15 years from being a Department of Education, to being a Department of Education and Science to being a Department of Education and Skills, with a ‘Customer’ (our emphasis) Charter and a *Customer* Action Plan in 2010. It strongly emphasises skill development for employment in its strategy statements.

Strategic planning and legislation emanating outside of the education sector also impacted directly on it. The Strategic Management Initiative (SMI) adopted by the government in 1994 was designed to ‘reform’ the civil service along new managerial lines. The SMI led to the *Delivering Better Government Report* (1996) by the Secretary Generals of the Civil Service. Both the SMI and the 1996 report culminated in The Public Service Management Act (1997) which was designed to ‘modernise’ the entire public service. All of these developments led eventually to a national Performance Management and Development System (PMDS) being developed in 2000. The new legislation, and its related accountability systems, instituted a technicist approach to change that was strongly driven by business rhetoric:

Advocates of ‘running the government like a business’ and practitioners of the NPM [New Public Service Management] approach to the reform of the public sector have sought, at least in part, to have the public service operate according to ‘market-like models’. NPM is based on an economic

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2 The use of the term ‘customer’ implies that education is a marketable product, a ‘consumable good’ not a human right. Yet education is a human right under international human rights conventions, including the UN Universal Declaration on Human Rights.
understanding of governance in which the market – or approximations to it – is regarded as the ideal mechanism for the allocation and delivery of public services. Central to this approach is the perception of the citizens as customers (Collins, 2007: 31).

6. Neo-Liberalism and New Managerialism in the Public Sector

Whereas in other countries politicians wrote the reforms, often in the face of deep opposition from public servants, one powerful segment of the Irish public service were willing allies in realising new managerial practices, namely senior civil servants (Gleeson and O’Donnabháin, 2009: 29). The Strategic Management Initiative that heralded change in the Irish civil and public service ‘...was neither imposed nor forced. It emerged from the concerns of senior civil servants about the current performance of the system over why they presided and its ability to meet the challenges of supporting an effective State for the twenty-first century’ (Collins, 2007: 36-37 citing John Murray, 2001).

The ways in which senior civil servants aligned themselves with new managerialism is not surprising for a number of reasons. New managerialism demanded a bifurcation of power that allowed control to remain centralised while responsibilities were decentralised. Senior public service managers in the new managerial regime were also in a position to make financial gains when market principles were applied to the evaluation of their own positions. The negotiation of performance-related-pay, and the benchmarking of private and public sector salaries led to substantial awards to higher civil servants (Cradden, 2007: 176-177). Senior policy-makers in certain areas of the public service were also advantaged by new managerial practices, as they were potential corporate players in a market-oriented economy. Senior state managers can and do migrate from serving the public interest to serving capitalist interests in a relatively simple manner, especially when there is no sanction or control on such movement (Sklair, 2001: 17-18). The various tribunals and reports that have been published since the Irish banking crisis show how senior civil servants often moved from serving public interest bodies to being expert advisers to financial (and other) commercial institutions (TASC, 2010). Under new managerialism senior public servants were encouraged to define their role as leaders
and innovators, people who were marketable both inside and outside the public service. Their role as public servants was no longer their defining identity; they were professional managerial elite and their public service experience (and the insider knowledge it offered, especially in taxation and revenue) was a resource for work in the corporate sector.

While teachers and school principals were not in a position to exploit their experience in schools in the same way that senior civil servants could, some did move to the private sector and established successful for-profit colleges. The Institute of Education was founded by a teacher as was Hibernia, the on-line teacher education college. Moreover, the culture of education and management changed even for those who stayed within the public sector. The concept of the principal as a chief executive officer (CEO) gained considerable ground in the 1990s and 2000s. Both primary and second-level principals formed their own management networks (the IPPN, Irish Primary Principals’ Network and the NAPD, National Association of Principals and Deputy Principals). Numerous conferences and meetings were held and the concept of the principal-chief-executive was a frequent subject for debate, even if not endorsed. And principals and teachers felt under pressure to conform to new managerial principles even if they did not endorse them (Lynch, Grummell and Devine, 2012).

7. Implications of Commodifying Education for Students and Teachers

The move to make education into a marketable commodity has implications for learning in terms of what is taught (and not taught), who is taught and what types of subjectivities are developed in schools and colleges (Rose 1989, Olssen and Peters, 2005). In a market-led system, the student is defined as an economic maximiser, governed by self-interest (Lolich, 2011). There is a glorification of the ‘consumer citizen’ construed as willing, resourced and capable of making market-led choices. Education becomes just another consumption good (not a human right) paralleling other goods and the individual is held responsible for her or his own ‘choices’ within it. The State’s role is one of facilitator and enabler of the consumer and market-led citizen (Rutherford, 2005). Neo-liberalism embeds not only a unique concept of the
learner in education, it also maps on a new set of goals to education that do not sit easily with education’s purpose as a key institution in protecting people’s human rights.

There is also a strong incentive within the neo-liberal framework to weaken the power of the teaching profession and to casualise labour in education to push down costs. While national data on the casualisation of teaching in education is not available in Ireland at the time of writing, the signs are that casualisation is being normalised. At the Annual Congress of the Irish National Teachers’ Organisation (INTO) in April 2011, the president of the union claimed that the unemployment of young teachers was the biggest single threat to the profession. The introduction of the Employment Control Framework (ECF) by the government in 2011 (as a condition for receiving IMF and ECB loans) meant that public service staffing was drastically reduced. This paved the way for casualisation in education (and other public services) for a considerable time as most contracts under the ECF are for a defined period of years with no guarantee of permanency as would have been standard practice hitherto.

Even prior to the ECB and IMF requirements, primary and second-level teaching had already been increasingly de-regulated as there is declining control over on the number of people who qualify in teaching nationally. The opening up of a for-profit teacher education college (Hibernia) in the early 2000s has been the most significant development in this regard. Hibernia is now the biggest single provider of primary teachers in Ireland. While second-level teachers have traditionally qualified through postgraduate teacher education programmes in the universities, and numbers qualifying in different subjects has been limited by State regulatory bodies, from 2011, Hibernia will also be educating second-level teachers. As Hibernia has all its courses approved by the Irish Teaching Council, and as it is recognised by HETAC (the Higher Education Training and Awards Council), it can offer courses to anyone who can pay the fee (currently €9,000 per annum); in this context the oversupply of teachers and casualisation of teachers is likely to continue.
While many appear surprised by these new developments in education, one of the purposes of new managerial reforms was to curb the power of professionals in public sector organisations and reduce their numbers as a cost on capital (Farrell and Morris, 2003). The introduction of performance indicators and the availability of surveillance mechanisms, instituted through new information technologies, made the task of managing and controlling professionals much more feasible than hitherto.

8. Conclusion: issues for education and trade unions

Irish education has moved from being a state governed by theocratic principles to one governed by market principles (Lynch, 2006, O’Sullivan, 2006). The progression to neo-liberalism has followed the international trend, emerging in the 1990s and consolidating in the first decade of the new millennium. While neo-liberalism was initially sold as a simple modernization project, this changed over time. The focus on the human capital value of education persisted but it was married to a new education project focused on educating students for a market economy. The development of an entrepreneurial and actuarial self became the new mantra in an age of individualized modernity, not only globally (Peters, 2005) but also in Ireland (Inglis, 2008). The move to the market has been accelerated in recent decades especially from 1997 to 2011 when Ireland was governed by a strong neo-liberal coalition government that systematically promoted marketisation and privatisation policies throughout the public sector. This trend has continued with the new coalition with the gradual marketisation of even more public goods.

While neo-liberal policies have been systematically challenged in primary and second-level education, due to the power of the teacher unions in particular, there have been profound changes in educational management and organisation nonetheless. The management responsibilities of school principals have been redefined at primary and second-level. There is pressure not only to produce academic results but also to profile the school in ‘the market’. The task is not just to do the job well but to show that one is doing it well, to ‘sell’ the school or ‘college’ in the local, and in the case of higher education, the global, market. While there is resistance to marketisation at trade union levels, especially at primary and second level, new managerial reforms inevitably get under your skin; there is no way of escaping, even for those who are not committed to the new managerial project.
The call to be market-led rather than education-led has profound implications not only for the definition of what it is to be an educator and an educational leader or manager, but for educators’ personal lives. A 24/7 work life is increasingly assumed to be the norm especially in higher education, but also increasingly for principals in second-level (and some primary) schools (Devine, Grummell and Lynch, 2011). People at senior levels are increasingly required to work in a way that is not bound by time or care commitments. The focus is the product not the person, both in terms of what is attained and what is counted and countable. A culture of carelessness is created, that is highly gendered and antithetical to caring inside and outside school life; it is already well advanced in higher education in Ireland (Lynch, 2010; Lynch et al., 2012).

**Globalization and Unions**

The ability of capital to dictate the agenda of education is tied to the way globalization has developed. As globalization has advanced, the power of organized labour has declined (European Commission, 2010). Trade unions have not globalised to protect labour in the way that capital has globalised to protect capital. While there are complex reasons for this (including competition between nation states for employment, language differences, communication structures, and the cultural traditions of trade unions themselves which have not been global in their thinking or their political reach) (Gekara, 2010), the fact is that trade unions’ failure to organize cross-nationally has left workers in a very vulnerable position, particularly outside relatively protected sectors of employment. Thus, while Irish teaching unions may appear relatively strong by comparison with those in the UK or US, the fact is that, in general, European trade unions have been facing a decrease in membership since the 1980s (European Commission, 2010). Relative to global capital, global labour is quite ‘disorganised’ (Streeck, 2009). The fundamentals of the trade union movement are being eroded internationally in terms of finance, mobilisation power and institutional support. The net effect of this disorganization of trade unions is the

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3 As education becomes marketised, and especially when it is designed for-profit, it does exact a price: the US Government Accountability Office (GAO, 2010) found that the courses in for-profit colleges cost several multiples of what they cost in comparator public colleges. Moreover, there are very few core full-time faculty members in for-profit colleges: an estimated 95% of academics are part-time in the University of Phoenix compared with an average of 47% nationally in the US. The casualisation of the academic and teaching staff is a close correlate of market-led education and clearly facilitates profit (Hill, 2005).
demonization of organized labour in general. Those trade unions and bodies that represent the legitimate concerns of workers are increasingly vulnerable to attack as it can, and is asserted that they lack the political base to make claims on behalf of all but a minority of workers\(^4\). And as trade unions lack the political and cultural infrastructures (especially via global media) to challenge organized capital’s representations of them as self-seeking troglodytes, their vulnerability increases. It is ironic that capital has largely won the public relations battle on the media over organized labour: the voices of those who own and control capital are successfully portrayed as representing the interests of ‘the people’ by ‘creating jobs’\(^5\) while organized labour is defined as representing ‘vested interests’.

References


\(^4\) Just over one third of employees (34%) were union members in the second quarter of 2009. While this represents an increase in the rate of union membership among employees from 31% in 2007, membership varies enormously: it is 81% in public administration and defence but a mere 6% in accommodation and food service activities (CSO, 2010, National Quarterly Household Survey).

\(^5\) The attributing of the power of ‘creation’ to capital is interesting as it is so rarely contested. Capital becomes deified through the nomenclature of creation although it is people who work in jobs for a wage which actually creates the product or services, and in this sense the ‘jobs’.


