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'Changing Geographies of Power in Education: The Politics of Rescaling and its Contradictions'

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Abstract

In this chapter we outline what we argue is a new geography of power in education – an emerging functional, institutional and scalar division of the labour of education systems in the global economy. We draw upon two case studies that we elaborate in some detail; the construction of the ‘European education space’ within the EU and the rise of the World Trade Organisation and its agreements around trading in services in order to detail both the governance and scalar features of these new political projects as well as the contradictions posed for national systems of education.

Introduction

Our concern in this chapter is with the implications for education of the expansion of ‘globalisation’ as a particular kind of political project, process and product. Specifically, we will be addressing the way in which globalisation is affecting what gets done at what scale in the education sector, arguing that these shifts represent a changing geography of power in education. We will be arguing that in the post-WW II period, the scale and governance of education was primarily national: they were tied to nation-states, national economies, national territory, and nation-building (see also Brenner, 2003). The governance of education, particularly in developed economies, was also informed by a Keynesian model of economic and social development. However, in the current, ‘globalisation’, phase of capitalism, a series of linked and overlapping dynamics associated with the rescaling globalisation (Cerny, 1997), from the local to the global, are tied together by the ‘constitutionalisation of neo-liberalism’ (Gill, 2003).

While considerable attention has been paid to the way in which national education systems and citizens have been subject to the discipline of the market as a result of displacements of power downward (see Jessop, 1999) in what Gough (2004: 197) has called ‘neo-liberal localism’, in this paper we are interested in understanding the changing social relations arising as education is mobilized upward to different scalar locations to play a more direct and functional role in capital accumulation. In particular we will be arguing that processes of *upscaling* and the governance of education to supra-regional (in this case the European Union) and global scales (for instance through the World Trade Organisation) can be understood as a new *functional, institutional and scalar division of the labour of education systems* (Dale, 2000). We will also be suggesting that this emerging geography of power generates new contradictions that will become increasingly difficult to absorb at these new scales of activity, generating important challenges at the door of the new global world ‘order’.

In order to make our case, the chapter will proceed in the following manner. We will begin with some brief opening remarks on the changing nature of the world order; from an international political economy (1975-90) to a global political economy (1990 onward) powered by neo-liberalism as an ascendant ideology (see Gill, 2003). We will then focus on the emergence of new forms of governance and processes of rescaling, in particular the embedding of neo-liberalism in these new governance mechanisms. In the second half of the chapter we develop two case studies, one on ‘configuring’ and ‘constructing’ the ‘European education space’ and the second the construction of a global education industry regulated

through the World Trade Organisation's *General Agreement on Trade in Services*. We conclude by examining the contradictions of these new scalar and governance shifts for states and their education systems.

Scale and Governance in the New Geography of Power in Education

There is a considerable amount of writing now on globalisation and agreement that globalisation is the latest phase in a long process of capital accumulation (cf. Held et al, 1999; Mittelman, 2004; Peck and Yeung, 2005). As some writers have also pointed out (cf. Harvey, 1982; Brenner, 1998; Brenner et al, 2003) in order for capital to continue to expand, it must be mobile while at the same time requiring points of fixity in order to reproduce itself and the necessary social relations of production and reproduction. This generates a dynamic of perpetual motion and points of fixity that, over the *longue duree*, can be viewed as sets of temporary settlements punctuated by periods of restructuring and transformation.

In Bob Jessop's (1999) terms, and in reference to the developed economies, the 1970's signalled a collapse in the existing state-economy-civil society relation—or what he terms the Keynesian Welfare National State settlement. Over the period of 1975 to 1990, a period of significant 'rolling back' occurred (Tickell and Peck, 2005). Markets and institutions were transformed as the remit of state intervention was withdrawn, while financial markets assumed a new role disciplining states. However, Tickell and Peck (op. Cit: 174) note, for all this the political reproducibility of neo-liberalism in countries such as the UK and the USA looked rather fragile.

The 1990s signalled a sea change in events. This was shaped by on the one hand, the 'Fall of the Wall' and with it the 'End of the 'Cold War' and the removal of any alternative, and on the other, the new technologies that made possible not only the rapid flow of finance around the globe, but the creation of new industries and patterns of consumption. This was also a period characterised as much by an expansionary as a defensive 'West'. With the abandonment of the various 'client states' in the least developed countries, the 'West'—in particular the US and Europe—worked to protect existing markets while expanding into hitherto un-trodden, or at least previously 'off-limits' territory advanced through a vigorous round of negotiations and treaty-making activities such as the North American Free Trade Agreement (NAFTA) in 1991, the World Trade Organisation (WTO) in 1995 and the expansion of the European Union through Maastricht (1993) and the Stability Pact (1999).

Over this period it might be argued that economies moved from being part of an 'international' world order to being part of a new 'global' order, a shift that writers like David Held et al (1999) sought to capture in the book *Global Transformations*. While there is considerable contestation, still, about the nature and extent of the transformations taking place and its underlying logics, there can be little doubt that the globalisation is not a myth (Weiss, 1998) or indeed that its opposite is the case (Omhae, 1990); that there are few borders and barriers and that states, by implication, have simply ceded power to the global?.

What has emerged over this period has been a set of tools that we feel contribute to a better understanding of the nature of the transformations taking place. One is the idea of **scale** (see Lefebvre, 1991 Brenner, 1998) to talk about the changing spatial arrangements that the

notion of 'global' invokes. Most importantly, the idea of scale enables us to see that social activity is organized spatially, and that this spatial organization is produced. It is thus highly political – despite us tending to see the organization of particular activities at certain scales as natural. A case in point is the idea of the national as the firmly fixed 'centre' of all political activity.

So, too, with the idea of **governance**; as once fixed to government at the national scale. If the changes over the past decade have shifted anything, it is that ideas like *where things happen* (space/scale) and *who does them* and *how those things are regulated* (governance) are themselves shown to be socio-political constructions. In the following section we show that space, scale and governance are also subject to particular ideas, in this case neoliberalism, about the preferred nature of these arrangements and their social relations.

Disciplinary and Constitutional Neo-liberalism

While globalisation and neo-liberalism are often elided (Scholte, 2002; Peck and Tickell, 2005), largely as the advance of neo-liberalism for the developing and least developed economies has been the most discernible face of globalisation, we want to prise these two ideas apart in order to better understand neo-liberalism as a more complex set of processes that has been deeply implicated in developing globalisation but is not reducible to it.

A basic definition of neoliberalism is given by Roberto Unger (1998,53). 'In its most abstract and universal form, neoliberalism is a program (and it is crucial to recognize that neoliberalism constitutes a new programme rather than merely a new set of policies) committed to orthodox macroeconomic stabilization, especially through fiscal balance, achieved more by containment of public spending than by increases in the tax take; to liberalization in the form of increasing integration into the world trading system and its established rules; to privatization, understood both more narrowly as the withdrawal of government from production and more generally as the adoption of standard Western private law; and to the deployment of compensatory social policies ("social safety nets") designed to counteract the unequalizing effects of the other planks in the program'.

The key idea here is that neo-liberalism has been mobilized as an ideology and practice so that patterns of privilege on a multiplicity of scales can be extended and defended from encroachment and possible expropriation (Gill, 2003: 129). We also find it helpful, for the purposes of thinking about the shifting pluri-scalar governance of education, to use Gill's distinction between two forms that neo-liberalism takes in regard to governance - '*disciplinary neo-liberalism*' and '*neoliberal constitutionalism*'.

Disciplinary neo-liberalism refers to the way in which neo-liberal forms of order and ordering are institutionalized and operate across both public and private spheres in various state and civil society complexes. Drawing on the work of Foucault, Gill uses the idea of disciplinary neo-liberalism to refer to "a terrain of knowledge and a system of social and individual control" (2003: 130); in other words, a type of governmentality (cf. Rose, 1999).

The new constitutionalism, on the other hand refers to the way in which "...neoliberalism is institutionalized in the quasi-legal structure of state and international political forms" (op.

Cit: 131). While Gill's examples are largely drawn from the wider global political economy, for example the IMF and the World Bank and quasi-constitutional regional arrangements such as the North American Free Trade Agreement, Maastricht, and the World Trade Organisation, we argue in the following section that processes of constitutionalising neo-liberalism have been prominent in the changes in governance at the national scale.

In essence what Gill means by constitutionalising neo-liberalism is that the requirements of neo-liberalism have been increasingly made legal instruments rather than contested/contestable policy preferences. It is 'the move towards the construction of legal or constitutional devices to remove or insulate substantially the new economic institutions from popular scrutiny or democratic accountability' (Gill 2003:132). The effect, Gill argues, is to confer privileged rights of citizenship and representation to corporate capital while constraining the democratization process that has involved struggles for representation (ibid). As we will see when we look at the processes of negotiation in the WTO, key players in the services industry in the US have had unprecedented influence on shaping the negotiation rounds within the WTO through the 'consensus'-building rounds in Geneva and at the negotiation meetings. Gill goes on to argue that "the new constitutionalism can be defined as the political project of attempting to make transnational neo-liberalism, and if possible liberal democratic capitalism, the sole model for future development" (2003: 131-132). Our tracing through of these processes across scales suggests there is evidence for this view, though clearly the ongoing internal political struggles, as well as those across nations and regions, also shape both the political project itself, as well as its outcome.

Gill's argument's around the constitutionalism of neo-liberalism sit well with those of Kanishka Jayasuriya who suggests that it is necessary to differentiate between two notions of constitutionalism, 'a political notion of constitutionalism (that) emphasizes issues of participation and accountability (and) an economic notion of constitutionalism which places emphasis on issues of market transparency and the juridical limitations on the influence of rent-seeking coalitions or discretionary political intervention in the functioning of the economy' (1999: 109).

As we will show in the two case studies, both of these forms of neo-liberalism act in a pincer-like way on national states as well as in constructing education at these new scales in that the rules of the game as well as the possibilities for action work in the interests of the powerful developed economies.

Implications of Neo-liberal Constitutionalism for Education Governance

The first and basic element of neo-liberal governance that had important consequences for education was that, in common with all other sectors of the state, it became 'mainstreamed'. That is, the whole public sector was to be administered and managed according to the same principles with no exceptions or concessions to be made in respect of 'sectoral special pleading'. This was a means of reducing state intervention and, especially in education, of undermining 'provider', or 'portfolio', capture'.

Mainstreaming then meant that all sectors were subject to the same administrative disciplines, and typically to enhanced surveillance from the Treasury or Finance Ministry

(which became dominant under New Public Management [see Hood, 1991], the form taken by neo-liberal governance in most Anglo-Saxon countries). The pressure was in the direction of introducing markets or market-like competitive structures, maximizing competition and choice, and minimizing state influence-- even on state funded, provided, regulated and owned education systems. This can be regarded as a classic case of one form of constitutionalising the neo-liberal; that market-making, state-inhibiting rules are put into place through legislation and largely administered by the state.

However, this is still not the ideal situation for neo-liberals; there is still 'too much state'. Regulated and quasi-markets are a great advance on 'state control', but they are not the same as open markets and 'pure' competition involving the private sector. This can be illustrated most relevantly through the impact of the Maastricht Treaty and the Growth and Stability Pact in the EU, which are further examples of the constitutionalisation of the neo-liberal. In essence, they limit the level of public expenditure as a proportion of overall spending, which has the effect of 'forcing' governments to obtain finance from the private sector. The clearest example of this is the Public Finance Initiative and Public-Private-Partnerships (PPPs) in the UK.

In a sense, PPPs in education represent the acme of what we refer to as the functional/institutional/scalar division of labour of education. They are a very clear example of one form of *division of the responsibilities* for the *activities* of running education--funding, provision, ownership and regulation-- which traditionally were all assumed to be carried out by the national state, *between the state and a range of different institutions--for-profit, not for-profit, community, household and so on*. Further than this, there is increased division of responsibility within each of the activities, and much of this may be shaped by the substantive as well as formal elements of neo-liberalism. In this case, the subjugation of social to economic policy is a crucial feature. Funding is an obvious case, but provision and regulation may be more significant. In terms of provision, for instance, we are witnessing various forms of division of responsibilities between public and private providers, for instance in the running of Local Education Authorities. We shall argue more formally below that these divisions will continue to grow within the activities of governance, and one significant implication of this institutional/functional division of labour in education is a fragmentation of the sector and the constitution of education as a service. We might say that it moves from operating on the principles of an integrated code to those of a collection code (Bernstein, 1996).

The emergence of Public-Private-Partnership is also a very good example in terms of what it indicates about the rescaling of educational governance. It is brought about as a direct consequence of decisions made at the European rather than the national level which, again, is where it has traditionally been assumed that education is governed. And it thus illustrates a further outcome of neo-liberalism; the separation of sovereignty and territory. The EU is the most fully developed example of this, with European law overruling UK law in some areas. And a further example of this priority of supranational rule is found in the WTO, where countries are subject to binding rules (albeit rules that they have 'voluntarily' accepted (just as EU member states all agreed to cede elements of their sovereignty) that continue to bind irrespective of changes of government (and indeed this is precisely the point for putting such rules into place to begin with).

Finally, we should note that while the EU and the WTO have formal sovereignty over national states, the neo-liberal agenda as implemented by the World Bank/IMF in the form of the Washington and post (or augmented) Washington Consensus, has had effective sovereignty over many of the developing countries. Furthermore, it is the dominant ideology of such organizations as the OECD which, while they have no formal control over countries' policies, nevertheless exert considerable pressure in a number of ways, for instance through techniques of soft governance such as comparisons between countries in terms of student achievement (Schafer, 2006). And of course, as we shall elaborate later, the EU has no formal control or right of intervention in national education systems, which are formally strictly subject to subsidiarity. All of which is to make the point that the rescaling of the governance of education is not dependent on a single mechanism, such as regulation, but may be associated with a range of different mechanisms.

Configuring the European Education Space

A central argument of this chapter is that just as control over the rules of trade and currency have been 'rescaled' to the supranational level, so the means of addressing the extra economic conditions that they depend upon have to be rescaled too. And while education remains emphatically a national matter within the EU, and especially subject to the principle of 'subsidiarity', we will be suggesting that recent shifts in both the European social model as a goal of EU policy and in the means of bringing about greater policy effectiveness—particularly soft governance tools such as the Open Method of Coordination—will have the effect of bringing about a re-division and rescaling of responsibility for the existing functions of national education systems around an agenda that seeks to maximise the likelihood of their facilitation of, and minimizes the likelihood of their acting as significant obstacles to, the development of the overall agenda of making Europe the most competitive economy in the world (see Dale, 2003).

In particular, we will suggest that as key aspects of the mandate, capacity and governance of education (particularly around the idea of a competitive European knowledge-based economy) move to a European level, the education sector settlement—the arena on which the agenda for education comes into contact with the means of achieving the agenda—*selectively* shifts from the national to the European level. Very broadly, we suggest that those elements linked directly to the reproduction of national social formations appear to remain largely at the nation-state level, while those more directly associated with the extended reproduction of the mode of production are moving to the European level. At the same time, those elements particularly associated with constructing/embedding the social integument/extra economic conditions of the mode of production (such as the ideal citizen), will remain national responsibilities, pending the (highly unlikely) development of a 'European state' However, it will be a central argument of this chapter that the European Commission is creating, in the form of the Open Method of Coordination (OMC), a mechanism that will not only allow for but even encourage a gradual convergence of the various national education systems contributions to building the social integument.

Specifically in the area of the European Education Space (EES) (this will involve new (and possibly 'converging') institutional configurations, with both the individual bases of, and the relationships between, the three fundamental elements of the EES (the education system's

mandate, what it is desirable for it to achieve; its *capacity*, what it is feasible for it achieve; and its *governance*, how it is organised to achieve its mandate and capacity) recalibrated and redistributed both internally and across geographic scales. In terms of the education sector settlement, we will suggest that as well as a scalar shift of responsibility of the accumulation problem, there is considerable evidence that the focus of European activity in the educational sphere at both the supranational and the national levels will be on the *capacity* of education systems rather than their *mandate* or their *governance*, and on their *effectiveness* rather than their efficiency (see Robertson, 2002).

FROM	TO
	FOCUS
ESM (DELORS) AS SOCIAL REDISTRIBUTION	ESM (NICE) AS ECONOMIC POLICY
MANDATE/GOVERNANCE	CAPACITY
NATION-STATE	STATE AND OTHER ACTORS
COMMON INDICATORS OF NATIONAL SYSTEM EFFICIENCY	COMMON TARGETS FOR A SUPRANATIONAL SPACE OF OUTPUT EFFECTIVENESS
INTER-NATIONAL COOPERATION	SUPRANATIONAL COORDINATION
	METHOD
HARMONISATION	CONVERGENCE
REGULATION	SOFT GOVERNANCE
SYSTEM-WIDE	SELECTIVE
	CONSEQUENCE
EU-LEVEL 'COLLECTION' OF COHESIVE NATIONAL SYSTEMS	(EU) LEVEL 'INTEGRATION' OF ELEMENTS OF FRAGMENTED NATIONAL SYSTEMS

Figure 1: Rescaling of education

At the supranational level, these major changes might be seen as bringing about the creation of a 'European education space' that has as its main responsibilities a more direct link between education and the regional economy within the wider context of global economic competition. This will in turn entail a massive reconstruction of different national education systems as we have known them for the past 150 years.

In terms of the implications for national education systems we shall suggest that what we are witnessing is neither a 'Europeanisation of national systems' or a 'unified European system' (Streck (1999), Pochet (2000) as much as a MS/EU division of labour that sees

- (positive) supranational coordination of the development of a knowledge economy (Kne) energized through lifelong learning (LL) or KNeLL (that is accumulation and capacity),
- a negative/exclusive/proscriptive convergence at inter-national level (agreed 'quality' benchmarks)
- and within this, responsibility for social and societal cohesion variously (following national traditions) divided between national and sub-national levels.

This is also to suggest that the effects on national education systems will not be confined to the 'spillover' (see Leibfried, 2000) from action at other levels, but will be fundamentally shaped by the 'new' structure of the governance of education (Robertson, 2002). In other words, we should approach what is happening at the level of national education systems as neither incidental 'effects on' them, nor as some form of 'collateral damage', but as distinct emergent properties of the new functional, institutional and scalar divisions of labour. This also suggests that *the* key area of contestation is likely to be legitimation, the contingent consent given to the form and outcome of (re)distributive policies, and through that the stability of the (national and supranational) political economy as a whole.

Constitutionalising the Conditions for Global Trade in Education

This second case that we will elaborate refers to the global scale. Aside from the United Nations, the World Trade Organisation created in 1995 is one of the few truly 'global' institutions (there are 149 members currently). It also fixes neo-liberal governance both through its form of rules and dispute panels (constitutional neo-liberalism) and purpose (disciplinary neo-liberalism). Members who join the WTO opt in under a single undertaking to a series of binding rules, as well as a built in agenda to engage in ongoing negotiations for progressive liberalisation across a range of goods and service areas. Collectively the Agreements have three main objectives: to

- promote trade liberalisation and free trade where possible;
- progressively liberalisation through negotiations; and
- establish mechanisms for dispute settlement (Robertson, Bonal and Dale, 2002: 480).

While the WTO negotiates its business around some 23 different agreements, the three main ones are the General Agreement on Tariffs and Trade (GATT), the GATS, and (Trade Related Intellectual Property Services) TRIPS. And while TRIPS is really important to the education sector, we will only look at the GATS.

Unlike the EC, who has sought to develop the idea of a European identity as part of its creation of a competitive region, the WTO does not have a particular social dimension to its 'project'. Rather, the simpler, though no less ideological project for the WTO is, according to former Director General of the WTO, Mike Moore, to protect the world through global rules from descending into anarchy. However, the 'rules' are intended to protect 'trade'.

The WTO, with its various Agreements and dispute settlement mechanisms, is a revolutionary move in the evolving global landscape. What is remarkable about the Uruguay

Round is that services (including education services) and copyright were included for trade negotiations. This move also represents a further extension of capital into new spheres of social activity (Polanyi, 1944).

The various WTO Agreements, including the GATS, are highly complex. The language is very legal and it is likely that the rounds are negotiated by Departments of Trade at the 'national' level rather than Departments of Education who might well be located at the sub-national level (as in the case of Canada or Australia). The processes are also fast moving and there is a considerable amount of secrecy about which country is offering and committing which parts of the their education sectors.

The legal architecture of the WTO, that is the rules and agreements and processes of dispute settlement, are also shaped by neo-liberal ideas. As its name suggests (Robertson and Dale, 2003: 2), it is a *general agreement* of a particular kind. It operates through rules and these rules effectively lock in those who sign up to them. And, while it is possible for countries to opt-out of a commitment after three years, members will be required to pay future lost earnings to firms and organizations who might have committed themselves to investing in these areas. This makes it potentially more powerful than any other international organization or organ of 'global governance'. The purpose of this clause is to minimise the scope of political intervention in the economy, in particular the 'nationalistic' tendencies of states who might have an interest in using their education sectors for purposes other than for direct accumulation.

Second, GATS is about *trade* across all sectors of education; primary, secondary, higher, adult and other. In the same way that we might trade in coffee or banana production all forms of education provision are also regarded as potential areas for trade. In other words, the mandate for education is transformed from a "service to the economy and trade" to "trading a service in the global economy". Explicit in this view of education as an area for free trade is that it can be used for the purposes of direct accumulation, rather than creating the conditions for (through human capital) economic productivity. Trade is then conceptualised in 4 modes in the GATS: Mode 1 - *cross border supply*: (see Robertson et al, 2002: 486); Mode 2 - *commercial presence* (Mode 2), Mode 3 - *consumption abroad*, and Mode 4 - *presence of natural persons*. Codifying education services in this way enables the more powerful countries, such as the US and EU, or countries with a strong interest in developing their education sectors for the purposes of trade (e.g. New Zealand and Australia) to operate as net exporters of education services.

Third, GATS is about *services*, though of a different kind. GATS transforms the idea of services, as in meaning 'to serve' the community, to a notion of services that are regulated by the market. No distinction is made between, for example, education services, mortgage brokers, internet service providers and funeral directors (Kelsey, 2003: 275). In other words, education loses its 'special' social function and is mainstreamed into the economy.

Further, the idea of an integrated service is broken down into a myriad number of separate component parts (as in British Rail)—from library services to local authority management and printing. As Kelsey observes, "the term 'product' classification identified by numbers is emblematic in itself. Division of all services into eleven categories...reflect(s) the perspective of the producer and denies any social context, while services are not only abstracted, they are

fragmented” (Kelsey, 2003, 275). This is important, as this practice of fragmentation and codification has enabled the dismantling of the state’s hold on education as a system, making it possible to ‘shave off’ some parts of the education system which are then recast as ‘services’ that can be supplied by a range of providers – including for profit firms -- in the marketplace.

In Whose Interests?

The promotion of sets of rules regarding trading in education are largely determined by, and advantage, the developed economies, though there clearly are circumstances where trade in education might be valuable for some countries especially where they might have limited capacity to meet demand. And, as Mundy and Ika (2003) argue, the particular modality of the GATS was shaped by the strengthening view within the US from the late 1970s onward that it needed to overcome barriers to its international competitiveness. At the same time the US’s assessment of its comparative advantage, recognising the strength of the newly industrialising countries in labour intensive industries and the domination of Germany and Japan in industrial products, was regarded as lying in its knowledge-based industries and services. Its capacity to expand in this arena was blocked by domestic regulatory regimes (Hoekman and Kostecki, 1995: 127).

During the 1980’s key domestic lobbies in the US were supporting liberalisation in the services areas across national economies. This view was also promoted by the US Trade Representative through the Uruguay Road who argued both for the establishment of the WTO and for the inclusion of a General Agreement on Trade in Services. Thus, the inclusion of the GATS in the WTO represents the ascendancy of a new group of service industries and multinational corporations eager to move into the education market.

This same configuration of interest is also reflected in negotiations within the WTO, who in turn have allied themselves with other exporting nations, such as New Zealand, Canada, Australia, Chile and the EU. As a result, the ongoing ‘rule’ making process, which continues to reflect neo-liberal ideology, is put to work in favour of the developed rather than the developing economies. In other words, the idea of ‘free’ trade does not mean that it is free for everyone in the same way and nor does it mean that everyone is ‘free’ to participate in the process of rule making (see Kwa, 2002). As Kachur (2003) powerfully demonstrates in relation to NAFTA and the US, constitutionalising neo-liberalism means making the rules to suit the most powerful, and if the most powerful don’t like them (the US) they are also free to break them when it suits.

While we are yet to see how this powerful set of forces might realise its interests (though the contested and chequered nature of the negotiating rounds might give us some sense of its strength and reach), there can be little doubt that trade in education services represents big business, not only for the US, but countries who are newer traders, such as Australia and New Zealand. For example, Ziguas et al (2003) report that education service exports in Australia grew by 2.9 % in the financial year 2002 and is the 3rd largest export services earner bringing in AUS\$4.1 billion each year behind tourism (\$9.3 billion). It is the country’s 14th largest export earner overall. It should be noted, however, that while the negotiators of powerful countries, such as the US have pressed other countries to open their education

sectors to trade, they have been less willing to open their own. This is a reflection of their protectionist attitude toward their own internal markets, in part mindful of their own internal political pressures.

While the profits to be made by these education-exporting nations give us some clue as to why national governments have actively promoted the WTO's brand of neo-liberal constitutionalism, there is evidence to suggest that some national governments are using the GATS agreement to discipline 'capacity' in their national education sectors. Japan is a case in point. The Japanese government has committed itself to opening all of its education sectors as a means of levering itself out of an extended period of stagnation (Mundy and Ika, 2003). While this appears to be a potentially dangerous strategy, given the 'binding' nature of the GATS rules into the future, it remains to be seen whether Japan's cultural thickness can mediate the full impact of education trade on its territory. On the other hand, the Chinese Government is seeking to reduce the 'brain drain' that has characterised the export of education with the US (presence of natural persons). By opening up Mode 2, commercial presence, the Chinese government is intended to invite in commercial providers to China, thereby curtailing the huge loss of human resource to the US economy when students study abroad.

New Contradictions for Education Systems of Different 'Politics of Scale'/Geographies of Power

In this final and concluding section we will point briefly to four sets of contradictions generated by the changing geographies of power in education. On the face of it, rescaling appears to offer a means of 'escaping' the existing contradictions between the 'solutions' to the three core problems of national education systems, assisting accumulation, ensuring order and legitimation. This promise might be perceived in the possibility of rescaling one of the core problems, say accumulation, to the supranational scale. This would then enable the national state to tackle the problems of order and legitimation in new ways and possibly to come up with new 'solutions' that were not mutually contradictory. However, it seems more likely that such moves will intensify rather than mitigate the contradictions between the solutions to the three core problems.

First, it seems extremely unlikely that any set of problems could be so comprehensively 'exported' that they left no trace behind at the national level. Given this, the contradictions between the solutions are likely to be exacerbated by the introduction of a further, complicating dimension – the global. More than this, it seems likely that if such an export were to take place successfully that would have the effect of highlighting the contradictions rather than concealing them—and a major element in the national state's ability to maintain a coherent and cohesive system in the face of the contradictions is that they are not readily apparent. If they were to become so as a result of the export of at least part of one set of problems, the contradictions might thereby be intensified.

Second, it seems likely, too, that the existing contradictions between education as a public service and as a private commodity will be qualitatively altered. The notion of education as a public service might be seen to have at least four central components that, separately and collectively, are difficult to combine with an emphasis on education as a private commodity.

One component is that a public service essentially depends on its supplying *public goods*; that is, goods that are non-rivalrous and non-excludable, and that would not therefore be supplied by the market. A second component of a public service is that it has an instrumental role, in that it *serves and enables* a range of other services and activities, personal, organizational, communitarian, recreational and so on. Third, the idea of education as a public service implies that education systems are *publicly and democratically accountable*. The fourth component, one draws on the French sense of public service, is that it is provided *disinterestedly* in terms of both planning and delivery. While clearly such a system can co-exist with the provision of education as a private commodity, it is not so clear that this co-existence would be so peaceful if the public service and private commodity emphases were located at different scales and subject to different forms of governance. It is not inconceivable, for instance, (indeed it may already be happening) that the suppliers of particular forms of education, in specialist institutions with no responsibility to any other stakeholders other than their students and their shareholders, might cream-skim the lucrative areas of provision. This would place enormous pressure on the economies of scale and scope of nationally- regulated systems, whose informing ideology of public service denies them the right to cream skim and requires them to provide a broad curriculum.

The third contradiction is between education as a force for the equalization of opportunities, and education as the means for allowing differences in initial endowments to flourish. The first is, of course, the traditional legitimating function of education. However, we should not forget that it is the legitimation of *national* education systems. Private and for profit education has no legitimating responsibilities beyond those it owes its own patrons and shareholders, and indeed its success is, to a considerable degree, dependent on the degree to which it is able to exaggerate the socially polarizing possibilities of education for the benefit of its clients. However, the conditions under and the degree to which it is able to do this is limited in every national system by the very legitimating responsibility the state owes the population in respect of educational provision. This restraint would not, though, apply with respect to systems governed by different institutions at different scales.

The tension between education as a contributor to ‘economy-building’ and to ‘nation-building’ is already quite acute at a national level, but it seems likely to become more so in the developing circumstances of a supranational economy. In this case, the contradictions would be across as well as within scales. The contradiction would be clear in the formation of human capital, for instance, where the pressure from neo-liberalism is very much in the direction of the flexibility and free movement of labour. However, it would also be a matter of considerable strain in the area of the ‘extra-economic’ embedding that education extends to the economy. This has traditionally been related to a national economy, but given the increasing but partial and concentrated ‘de-nationalisation’ of the economy we are experiencing, it seems likely to be a matter of considerable tension in much the same way as the first contradiction we outlined.

A final set of contradictions concerns the way in which the different governance regimes that operate at different scales map on to each other and the extent to which they are themselves contradictory in their intentions and their effects. While it might be argued that constitutionalising neo-liberalism will, likely, produce a greater articulation between scales, from the local to the global, there is some evidence to suggest that the different politics of scale are precisely that—the outcome of different political struggles over the precise nature

and form of neo-liberalism in these different arenas. An example here are the different – though no less neo-liberal—political projects at the heart of the construction of Europe and the European education space, compared, with the global.

Furthermore, which ‘rules’ – regional or global or local-- take precedence? At present there are a multiplicity of regional and bilateral treaties being negotiated to secure the conditions for trade. For example while Singapore is part of APEC, it is also part of ASEAN and a recent Singapore-US trade treaty. It is also a member of the WTO. These potential ‘legal’ complications are likely to keep trade lawyers busy for years! The fundamental point to make here, particularly in relation to the WTO, is that these are legal and binding rules into the future. Renegotiating one’s position is not possible. What will possibly emerge is that the WTO will become an orienting point on the compass from which all other rules and policies begin from. In education this will really change the geography of power – upward.

Conclusion

In this chapter we have sought to examine the implications for nationally-located education systems of an emerging functional and scalar division of the labour of education through a project of rescaling. More particularly, we have argued that this new and emerging geography of power in education is both shaped by and reflects neo-liberalism ideology (see Gill, 2003) – in the forms of soft governance at the European scale and the constitutionalisation of neo-liberalism in the rules of global governance that extend to the education sectors of national states. We have also argued, however, that these movements are likely to generate new contradictions, particularly as in the case of the WTO, there is limited policy space in which to absorb contradictions and tensions that inevitably shape the education sector.

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