Chapter 2

Education Policy: Development and Enactment—The Case of Human Capital

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2.1 Education Policy and Policy Processes

Education is always implicitly or explicitly a political issue (Bell and Stevenson 2013). What is taught, what is not taught, how students are taught and how educational institutions are organized are fundamentally political questions. Education cannot be disconnected from wider views about the society in which it is located. Thus reproducing and reinforcing what exists are implicitly political but no less so than explicitly mobilizing for radical change. The extent to which the focus of policy is on conserving or changing is largely determined by political responses to the prevailing dominant discourses. It is such education policy that frames much of what happens in individual educational institutions and that shapes the experiences of those who study or work in educational institutions. However, it is important to understand more precisely what is meant by policy.

Traditional approaches to policy analysis tend to assert that policy consists of a set of aims, goals or statements of what should happen in any given set of circumstances. One succinct definition of policy is that ‘policy is whatever governments choose to do or not to do’ (Adams 2014: 24). Harman (1984) extends this definition and sees policy as:

the implicit or explicit specification of courses of purposive action being followed, or to be followed in dealing with a recognised problem or matter of concern and directed towards the accomplishment of some intended or desired set of goals. (Harman 1984: 13)

However, this view of policy as a product of government action is far too limited. It tends either to ignore the relationship between policy and action or implementation or to present policy generation and implementation as a linear and sequential process in which policies pass smoothly from conception to execution. Working within this tradition, Kogan (1975) argued that policies are best understood as oper-

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ational statements of values. He identified four key values that informed education policy—educational, social, economic and institutional. He further argued that it was possible to distinguish between first- and second-order values. First-order values included the educational, social and economic. These are values that required no further defence than it is held to be right by those who believe it, whereas second-order values were considered to be supporting in nature and therefore focused on means rather than ends. This was written at a time when there was post-war social consensus in that there was a broad agreement about key social objectives and the means of achieving them (Tomlinson 2001). Since that time, any such consensus has unravelled, and neo-liberalism has emerged as the new orthodoxy on a global scale. For example, as Suzuki (2000) has argued, the Japanese view of educational administration has, in recent decades, been closely related to the worldwide view of neo-liberalism as propounded in the USA and the UK. However, despite the dominance of such ideas, it is difficult to argue that one consensus has replaced another. Policy is often much more sharply contested, and values that underpin policy can no longer be described as what Kogan (1975) sees as being self-justified.

Education policy, therefore, needs to be understood in terms that reject the tidy logic of the political pluralists. Policy is about both intention and outcome. It is purposive and intended to produce specific ends. As Ward et al. (2016) point out, policy development and enactment should be seen as an attempt both to solve problems and to ensure that particular values that delineate action are accepted by those who enact policies. They also reject what is presented as an artificial, and unhelpful, separation between policy development and enactment. Policies rarely emerge fully formed, and so the enactment process involves revising, re-ordering and re-inventing. The policy process, therefore is not neat and tidy but rather is a messy process in which, at any point in the policy cycle, participants negotiate over both implementation and outcomes. Policy is constantly being made and re-made, formed and re-formed, as those engaged in the policy processes bring their differential interpretations and influences to bear. Policy therefore can be considered to be the realization of contested meanings. In some cases, policy may be relatively inconsequential and uncontentious in nature and largely unproblematic in its enactment. However in other cases policy may reflect sharp divergences over values, means and ends. In such cases the contested nature of policy is likely to be more overt with more visible signs of conflict and struggle based on competing sets of values that may be identified in the discourses that shape educational policy.

2.2 Policy Development and Enactment

In order to explore the complex relationships between policy and the factors that shape both policy development and formulation, a more sophisticated form of analysis than that offered hitherto is required (see Fig. 2.1). The framework presented here seeks to combine an approach that reflects the importance of central agencies in driving and determining policy agendas, such as the central governments in

Fig. 2.1 From policy development to policy enactment

nation states, but also to recognize the potential for policy to be contested and mediated at the levels of both development and enactment. In some approaches to policy analysis, the terms policy formulation and policy implementation are frequently used (Bell and Stevenson 2006). Here a somewhat different terminology has been adopted. Instead of formulation and implementation, the terms development and enactment have been used. This is because the use of the terms formulation and implementation reinforces the erroneous view that these are discrete elements of a policy process in which both are connected, but in an overly simplified form (Bowe et al. 1992). Within the framework presented here the term Policy Development is used to challenge the notion that policy is made in rational ways. For similar reasons, implementation has been replaced with a term deployed by Ball et al. (2011), namely enactment because enactment conveys the contested nature of policy implementation. Ball et al. (2011) refer to the complex process of enactment by which different types of policy become interpreted, translated, reconstructed and remade in different but similar settings. Hence, the term captures the sense of a contested process in which anticipated outcomes and experienced realities are often divergent.

The first element within policy development, the *socio-political environment*, is the context in which policies begin to be framed. The wider socio-political environment provides the forum for ideological and philosophical debates and contested discourses from which the organization of education is derived. It shapes the context within which policy is framed and enacted and incorporates the emerging discourses of policy development, with a particular focus on the specific way in which policy problems are presented. It is the dominant discourses of the time, therefore, which formulate the overarching guiding principles that shape policy and which provide the languages in which policy is couched and the criteria by which policy is legitimated and evaluated. Hence these dominant discourses are reflected in the three subsequent levels of this framework.

As policy begins to emerge in more explicit forms, it is appropriate to consider *governance and strategic direction*. The notion of strategic direction refers to the way in which policy trends emerge with increasing clarity from the socio-political environment, the parameters within which policy is to be established are set and policy priorities are established. This broad policy is developed and enacted within specific policy domains. Here, policy provides the structure of governance within which the organization of educational institutions is shaped. The influence of major policy discourses can be seen in the establishment of the patterns of governance and the strategic directions within which educational institutions are organized. The boundaries between the analysis of such major policy discourses and how they are manifested, however, often remain blurred and even permeable as policy is shaped and re-shaped.

Once the structure for the governance of education has been articulated, the concomitant *organizational principles* begin to focus on the specific ways that policies shape the nature of educational institutions and provide the organizational context within which management and leadership take place. At this stage, sometimes policy becomes clearer, and success criteria are often articulated with increasing clarity. Roles are delineated and boundaries established. Targets are set and patterns of state, local and, eventually, institutional control procedures are established. National responsibility and local flexibility relating to implementation are determined. Different forms of organizational structure evolve, and the implications for leaders and managers of both of these organizational forms and the policies that frame them in different contexts emerge. However, policy enactment may evolve into a contested process if there is a perceived mismatch between ends and means or a significant challenge from alternative value perspectives.

The final element in the framework refers to *operational practices and procedures*, whereby the governance framework and the strategic direction set within policy is manifest in the daily activities and experiences of those who work and study in individual institutions. Institutional policies are developed and secured and monitoring mechanisms established. These are influenced by many factors such as the nature of the organization and patterns of leadership and management. Here, second-order values mediate policy. This is the point at which policy developed 'up there' is experienced and enacted 'down here' (Stevenson and Tooms 2010). The linearity within the framework makes clear that these processes are fundamentally top-down, but that does not deny the extent to which policy is reshaped and contested from below or minimize the extent to which policy is subject to multiple interpretations based on the specificities of local contexts, the nature of the work of educators, of their professionalism and of the procedures deployed to lead and manage, any of which may lead to challenges emerging to specific aspect of policy enactment.

The linearity of this framework, with its apparent top-down emphasis reflects the predominant ways in which policy is perceived and experienced. This is not to assert that policy cannot be formed from below or that resistance from below is incapable of fundamentally challenging policy from above. Rather it is to recognize the dominant power of the superordinate bodies in framing policy agendas and asserting decisive influence on the way they are experienced. The power flows that

are implicit within this framework are by no means one-directional, but it is important to recognize the extent to which power resides centrally within systems. Moreover, within the framework, there is no intention to convey a tidy correspondence between the levels within the framework and any levels of governance structures. Rather there is a need to recognize within this framework a tension between the dominance of global discourses and the resistances of local cultural contexts. For example the role of the nation state is clearly pivotal, but in what ways do the apparatuses of individual nation-states relate to the wider questions of global power? Within nation-states what are the relationships of power between central government and governance at the level of regions, localities and individual institutions?

This framework is a testament to the complex nature of education policy. By applying this framework, it is possible to explore many different issues, some of the most significant of which are the tensions in the discourses that shape education policy:

- Between globalization and the needs of nation states
- Between welfare values and neo-liberalism
- Between the competing demands of centralization and decentralization

These tensions and discourses create contested and challenging environments within which the policies, governance, leadership and management of public education, as well as the work of those in educational institutions, are located. It can be seen, therefore, that an analysis of the debates within the socio-political environment that give rise to educational policy can facilitate a detailed understanding of the policy development and enactment processes. The strategic direction and organizational principles provide further insight into the text of policy, its aims and purposes, while an examination of operational practices will focus attention on the consequences of policy, its interpretation and implementation. Hence the conception of policy developed here is one that rarely lends itself to neat and simple models.

2.3 Policy and Purpose

The discourses that shape educational policy tend to be derived from perceptions about the overall purposes of the educative process. Spring (2011) addresses the questions of educational purpose by identifying three different dimensions of purpose—the political, social and economic. He argues that the political purpose of education is to help young people to become engaged participants within the political structures of society and to be able to function as citizens in a liberal democratic system. The social purposes of education relate to those aspects of education that shape the social form and structures of society—this may include reducing inequalities for example or promoting social cohesion. The economic purposes of education in turn focus on developing the labour force at the level of both the individual and the collective. Capital requires labour in appropriate numbers, and of appropriate quality, and the education system has a key role to play in meeting these needs.

These issues have a much wider application across national borders and across educational phases. Not only are they universal in the sense that they might provide a focus for educational processes anywhere, but they are also global in the sense that such issues are increasingly being addressed, at a global level. Understanding this link between global discourses and the lived experiences of educators and students in individual schools, colleges and universities is the essence of policy analysis.

It follows that there are a broader set of questions to be asked about education—what is education for? What are its purposes? And how best might it be organized in order to most effectively meet these objectives? Such questions are inevitably political as they are fundamentally bound up with wider questions about the nature of the society. It is important therefore to recognize that whatever the detail being considered, whether it is a government minister determining the content of a statutory curriculum, or classroom teachers exercising some choice over what they teach in their lesson the next day, the starting point for an analysis of these issues derives from a much more fundamental set of questions. What is to be taught? What might count as official knowledge (Apple 2000)? And, critically, who decides? The first two questions focus on the content of education, but the third question raises a wider set of questions about processes. What are the mechanisms by which educational decisions are made? What is the balance of power between the government minister and the classroom teacher and who else might have a say in that decision—business, the community, parents or indeed the students? How should such interests be represented?

However, the value differences that underpin these questions are often not recognized, and the current educational provision, whatever it may be, is presented as the desired norm. Education is too often thought of as simply the delivery of neutral knowledge to students. In this discourse, the fundamental role of schooling is to fill students with the knowledge that is necessary to compete in today's rapidly changing world as cost-effectively and as efficiently as possible. Hence, there are a number of significant themes which shape education policy debates within the socio-political environment and from which values and discourses are derived. The drive to develop human capital, the promotion of citizenship and pursuit of social justice and questions of accountability, autonomy and choice, for example, these must be placed in the context of the wider, international context shaped by one dominant theme within the social and political environment that of globalization (Bell and Stevenson 2006).

2.4 Globalization and Educational Policy

Central to understanding the issues raised by any analysis of education policy is an appreciation of the term globalization and its significance for the educative process. Globalization might best be regarded as:

A process of increasing interdependence between people, territories and organisations in the economic, political and cultural domains. (Verger et al. 2012: 5)

The drive to find out what works and how best to achieve the maximum return on investment become critical issues when education is seen as central to surviving and thriving—whether it be for individuals or whole nations. Education is perceived to be pivotal to economic success in a global economy in which knowledge is considered the key to competitive advantage. At the same time education is seen as essential for preparing young people for the worlds in which they live—worlds that are characterized by diversity, complexity and rapidity. Not surprisingly, therefore, any review of the education policy objectives of governments around the world will often reveal a remarkable commonality of language and aspirations. In Singapore, a country considered extremely high performing in global terms, the government argues that the task of schools and tertiary institutions is to give young people the chance to develop the skills, character and values that will enable them to take Singapore forward in this future (Singapore Ministry of Education 2012). The Ministry of Education in Kenya aspires to a quality education that will produce Kenyans with globally competitive skills, thus providing the requisite manpower required to drive the country to middle income status by 2030 (Kenya Ministry of Education 2008). Increasingly, therefore, the purposes of educational policy are framed in terms of preparation for a globalized world, but education itself is increasingly shaped by globalized considerations. Global imperatives are shaping local provision (Rizvi and Lingard 2010). Nevertheless, national governments play a key role in shaping the educational provision in individual national states.

If, as Verger et al. (2012) argue, globalization is based on increasing international interdependence, then how does globalization begin to frame the issues raised for those who make and implement educational policy. At its simplest, globalization might be considered to refer to a ‘shrinking world’ in which lives are increasingly integrated with those of others who live elsewhere in the world. As a consequence, through global networks of decision-making, trade and communication, events in any one location have an impact elsewhere (Giddens 1990). There is nothing new about the concept of international trade, or the movement of peoples around the world. However, the sheer reach, pace and scale of these current developments mark globalization out as something distinctive and new (Held and McGrew 1999). If this is the case, then a more nuanced understanding of the phenomenon of globalization is required. This can be supported by distinguishing between globalization in its cultural, political and economic forms (Bottery 2000; Olssen et al. 2004)

- Cultural globalization has been described as the expansion of culture to all corners of the globe, promoting particular values that support consumerism and capital accumulation (Olssen et al. 2004). The trend to cultural globalization is often associated with increasing standardization. Perhaps this is most clearly illustrated by the profile, and market dominance, of global brands that assert a powerful influence in shaping our identities as consumers.
- A key feature of political globalization is the emergence of supra-national institutions of governance whose power and influence have been at the expense of individual nations. Such institutions might include the United Nations, the World Trade Organization and the European Union. Hence, it is argued, sovereign

powers of policy-making have transferred to institutions whose remit and authority transcend national boundaries. Individual governments have been weakened at the expense of supra-national institutions. Many of the institutions associated with political globalization, such as the World Bank and the International Monetary Fund, have a very obvious economic role, and they highlight the need to see economic and political functions as deeply integrated.

- Economic globalization has largely been associated with a drive to expand available markets for raw materials, component products and finished goods and services. A feature of contemporary globalization, therefore, has been an expansion of world trade, an increase in capital movements in particular and the increased movement of labour around the world on an unprecedented scale. Much of this has been driven by market-based theories of comparative advantage and the conviction that international competition and specialization, unfettered by barriers to trade, will drive economic growth, innovation and development.

Critics have argued that the pressure for profitability in a global economy has generated unsustainable levels of consumption, that markets require inequalities and globalized markets compound global inequalities. For some, globalization:

Is a function of neo-liberalism, imposing government education policies and practices while ... Education has been distorted into a tool for managing social divisions of labour and for promoting market ideology. (Peim 2012: 294)

Thus, globalization is not a unified and coherent movement but consists of a number of loosely interconnected global trends that appear to have a significant influence on the shaping of educational policy in many countries. The most important of these is economic globalization which sets the context for other forms of globalization since its language is increasingly used to describe their activities—it captures their discourses (Bottery 2004).

2.5 Economic Globalization and Human Capital

Economic globalization has a profound effect on many countries, in part, because no other global system appears to exist which allows alternative forms of activity and organization. It also leads to an increasing emphasis on economic growth by both multinational companies and nation-states. Consequently, on the part of both private and public sector organizations, there is an increasing concern with economic efficiency and effectiveness coupled with an emphasis on the individual as consumer. This contrasts with traditional public sector values of care, trust and equity. In this context, a set of implicit, explicit and systematic courses of action are established based on a human capital approach to education. The growing impact of globalization has forced nation-states to enhance the skill levels of their labour force. In turn, this has produced comprehensive reviews of their education systems. This form of globalization has important effects on education for a number of reasons:

The economic imperative dominates much where radically different conceptual agendas such as those of education are reinterpreted through its language and values (Bottery 2000). This legitimates the social and economic values from which the educational and institutional values and concomitant actions are derived. Increasingly these values and actions are derived more from the economic imperative than from educational principles and procedures. The economic imperative also affects the financial probity of nation-states and their ability to maintain adequate provision of welfare services, including that of education. This represents a significant re-ordering of the values hierarchy on which education policy is based on those values derived from human capital theory becoming first-order values while educational and personal values are relegated to the level of second order.

Capital in all its forms is generally seen by economists as the resources available through marketized networks to individuals, groups, firms and communities, within which people are believed to act rationally and function as equals (McClenaghan 2003). Thus, if physical capital is the product of making changes to raw materials, then human capital is created by changing people to give them some desired skills and/or knowledge (Ream 2003). As Schultz (1997) puts it, human capital consists of skill, knowledge and similar attributes that affect particular human capabilities to do productive work. It helps to determine the earning capacity of individuals and their contribution to the economic performance of the state in which they work. It is usually measured by examining the level of skills and knowledge of the recipients such as members of a firm or a cohort of school pupils.

The consequences of economic globalization on the education policies of nation states are profound. The intensification of global competition in commercial terms has placed a corresponding pressure on individual nation-states to secure competitiveness through investment in human capital and knowledge production. In a globalized knowledge, economy education is seen as a key means by which human capital is developed and competitive advantage is secured. Knowledge production and specifically marketable intellectual capital are also at a premium, and therefore, the focus on these issues is of considerable interest in policy terms. The intensification of global competition therefore has provided a key impetus to invest in skills and development.

However, it is important to clarify that the demands of the economy are much more complex than a given number of workers with a given set of skills. It might be considered to extend to potential workers having the right attitudes, values and pre-dispositions for the work environments in which they function. For example, capitalism as a specific social form encourages particular types of worker behaviour—this may be ‘entrepreneurialism’, acceptance of managerial authority or, more widely, acceptance of the profit motive as the legitimate means for guiding resource allocation decisions in society. Education has a key role in developing and reinforcing these ideas. This might be considered a key part of its reproductive function. In short, education’s role in relation to the economy extends far beyond producing the raw labour required by industry. It also has an important ideological function in reproducing labour.

2.6 Human Capital and Education Policy

Economists have long argued that people are an important part of the wealth of nations. It is assumed that individuals' self-interest will be served by personal investment in the acquisition of qualifications and relevant experience. At the level of the individual, therefore, an approach to education based on human capital would indicate that people invest the level of time and effort in education that they believe they should, based on their view of their future earning potential and of all the conceivable benefits which could possibly be derived from investment in human capital. The human capital approach to educational policy at the national level works on the assumption that there is a national economic benefit to be gained from education and from having an educated and skilled work force. As Leadbetter (1999) argues, the generation, application and exploitation of knowledge are driving modern economic growth so it is necessary to release potential for creativity and to spread knowledge throughout the population. In many social systems, education is regarded as the main process by which such transformations might take place, although the issues surrounding which skills and knowledge are to be acquired, by whom and who makes those decisions often lack clarification. Education is viewed as an investment in human capital that has both direct payoffs to the educated individual and external benefits for society as a whole. How then, does human capital theory inform educational policy?

The impact of human capital theory on educational policy can best be identified by examining the socio-political environment which provides the impetus for policy-making and from which, in most instances, the legitimation for that policy stems. The languages of legitimation used to present and justify educational policy (Bell 1989), reflect the dominant discourses within the socio-political environment. Thus, in the last half century in most pluralistic societies, the discourse within the socio-political environment has been dominated by the struggle between economic individualism and social collectivism as determinants of social organization. Hence, educational policy is shaped by and located within the context of the outcomes of debates in the wider socio-political environment. The language in which that policy is expressed is derived directly from its dominant discourse. Within this context, a range of social and political influences have combined to establish economic functionality as the dominant discourse underpinned by reference to individualistic languages of legitimation based on a belief in the efficacy of market forces as a mechanism for social organization and in the capacity of education to supply appropriately skilled labour for employment. The outcome of this, as far as education is concerned, is exemplified by the use of principles derived from economics generally and from human capital theory in particular, to legitimize educational policy and, in many countries, to underpin the use of elements of the market place to structure decision-making and resource allocation.

The nature of such education policy, its overall content and the strategic direction that defines the shape of policy are also derived from that wider environment. It is widely recognized, for example, that in most countries where education is subject in

any way to market forces, then those forces do not constitute a free market in the sense that total deregulation applies. Rather, the education market is a quasi-market in which the market functions within an overall system in which the state retains an important role. Where the operation of the education market is informed by human capital theory, the role of the state is to determine the nature and mix of skills and knowledge that the system is required to produce while still retaining elements of market forces such as a mechanism for resource allocation, competition between institutions and the ability of parents to exercise choice. Reliance is placed largely on the language of economics to formulate success criteria. Reference is frequently made to efficiency, effectiveness, quality, value for money, choice and economic development. Human capital theory produces, in particular, an emphasis on the inter-relationship between individual choices, the demands of the labour market for specific skills and economic growth.

Organizational principles define, for example, the limits of autonomy, the patterns of accountability and the procedures for assessment and quality control. Educational institutions must respond to the specific demands from the centre to produce particular forms of outputs in terms of students with predetermined skills and abilities that will sustain and enhance economic development in their particular country. In order to achieve this, some form of central control over educational provision will operate. This might be based on tightly defined and rigidly assessed curriculum content and pedagogy, an extensive inspection process, detailed reporting processes, the assessment of pupil learning outcomes and teacher performance or a combination of all of these factors. Here the content and the consequences of the policy overlap because pedagogy, curriculum content and forms of assessment must be appropriate for the production of these outcomes.

The operational practices are linked to these organizational principles which are usually centrally determined. These are the activities which contribute to the formulation of internal policies that will enable the institution to deliver an appropriately skilled and trained set of students, the day-to-day organization of schools, the specifics of decision-making and the nature and extent of delegation of responsibilities. Thus, within schools, the key factors in determining the nature of the operational practices and the structuring of responsibilities are the principal/teacher relationships and the arrangements for decision-making in the school. Once these are established, the nature of the curriculum and its content, pedagogy and assessment, the roles of individual teachers, the mechanisms for reporting to and involving parents, the internal management of the school, and mechanisms for establishing relationships with the external environment can be established (see Fig. 2.2).

The main institutional consequences of all these are the extent to which the ideological move to construct education as a market place is successful together with the necessity for schools to promote a positive image based on performance indicators such as examination results. The implication of this is that both students and parents are partners in the educational enterprise. As a result, parents who were once regarded as passive supporters have changed into active participants as informed consumers in the educational market place. Education has become a commodity with both the individual and the state as consumer, the individual seeking to

Fig. 2.2 Policy into practice: human capital

maximize personal benefit and the state seeking to maximize economic growth and development. This emphasis on human capital on educational policy is based on the assumption that education is the most effective route to economic well-being for any society through the development of the skills of its population. Consequently, education is regarded as a productive investment rather something intrinsically valuable in its own right.

In practice, however, the relationship between education and national economic success is anything but straightforward (Middlewood and Abbott 2017). While the importance of skills for employment and economic development has featured heavily in much educational policy making, doubtful definitions of appropriate sets of values and of relevant skills pervade such policies (Bowl 2012). This is partly because, as Bowles and Gintis (1976) have argued, education policy based on human capital closely reflects the perceived needs of industrial society for workers with particular skills and, at the same time, illustrates the role of the state in ensuring that such a work force is available. These perceived needs, however, may not accurately reflect the actual needs which tend to be too dynamic to predict accurately. Even if such predictions can be made, the educative process may be too inflexible to deliver a workforce with the precise balance of skills and abilities required. Hence, the interconnection between human capital and educational policy has its limitations which can be found at each of the four levels of the analytical model and are sufficient to cast doubt on the efficacy of the human capital approach to education as a sufficient legitimization for the structuring of the educative process in most societies.

At the level of the socio-political environment, the extent to which the fundamental tenets of human capital theory pertain to the educative process is open to question. It is far from certain that there is an economic benefit to be gained from

additional or specific forms of educational investment or that education does make a significant contribution to economic growth and development:

Relatively successful economies may make greater investment in the education of their populations, measured by the duration and level of schooling and training but [this] may, at least in part, be a result, rather than a cause, of economic success. (Killeen et al. 1999: 99)

The relationship between expenditure on education and the economic performance of any particular country is largely one of correlation rather than one of cause and effect. There may well be intervening variables at work here such as investment in infrastructure or in research and development. It is particularly difficult to establish the precise nature and value of such investments in human capital (OECD 1996). The OECD Report argues that while educational investment does constitute the formation of capital, its value is hard to establish. Monteils (2004) goes even further. Using data from a survey of ten countries over a 2-year period, she failed to find any positive correlations between investment in education and economic growth. Thus, at the societal level, questions can be raised about the context from which such policies emerge and the extent to which education grounded in human capital theory can achieve its stated outcomes.

Similar questions can also be raised about the impact of these policies on individuals. How far, for example, does education increase the productive capacity of individuals? Rather than generate such an increase, education may merely act as a selection device that enables employers to identify those potential workers with particular abilities or personal characteristics that make them more productive (Woodhall 1997). Even if this is not the case, education systems may not successfully produce the skilled labour force required by employers. Choice mechanisms militate against this to the extent that individual choice may be constrained by limited knowledge and resources, or available options being restricted by an imperfect understanding of future skill requirements. The structuring of choice and opportunity within any society is such that a large number of factors will influence the extent to which such personal investments might take place. Individuals may choose to undertake education and training only to the degree that they are aware of both educational and employment opportunities available to them and can establish what are the required types and levels of knowledge and skills. At the same time, family support and pressure, financial resources, and the limitations of realistic aspirations all operate to limit the extent to which free choice can be used by any individual to gain the maximum benefit from education (Hodkinson et al. 1996).

However, it is not only the access to finite resources that are important. The relative levels of inequality will impact on family well-being and influence the choices that are made. Furthermore, although human capital theory was first mooted to support the argument for increased state investment in education, neoliberal economists have used it to justify shifting the onus on investment from the state to the individual, causing significant problems for those unable or unwilling to invest in education while, at the same time, enabling many employers to use largely irrelevant qualifications to screen job applicants rather than focusing on skills and experience (Bowl 2012). The impact of such limitations on choice mechanisms may produce

results contrary to those expected by policy makers—more social science students rather than more engineers. The capacity of any society to match the human resources produced by its education systems to the demands of the labour market is, at best, imperfect and, at worst, potentially damaging to the very economies that should be sustained. As Bulmahn (2000) argues, those who deploy human capital theory as the sole or predominant legitimation for educational provision at the socio-political level, and who thus consider education from the perspective purely of national economic self-interest, will be unable to develop long-term policies for the future.

At the strategic level, economic utilitarianism based on human capital theory may not only be short-sighted, it may prove entirely counter-productive. As Agbo (2004) argues, in some African countries, it can facilitate the establishment of an educated elite who are socially mobile to the disadvantage of the society as a whole or cause a society to lose touch with its cultural roots in response to a search for technology which is globally accepted. It can also have an adverse effect on the ability of nation-states to compete in the global economy. Given the time lag between entering a training programme and completing it, market demand for a particular type of training may have changed with a resulting lack of jobs. In the competitive global market, such an outcome is all too likely. Similarly, industries that are currently thriving may decline in future as the demand for products change and technological innovation has an, as yet, unforeseen impact. As a result, employer-led training schemes may not contain the vision required in order to maintain the high skill base necessary (Halsey et al. 1997). Thus, the consequences of such policies may be counter-productive. Attempts to establish too tight a focus for education or to exercise too much control of curriculum, content and pedagogy will lead to a trained incapacity to think openly and critically about problems that will confront us in the future (Lauder et al. 1998). At the strategic level, therefore, it is doubtful if an educative process legitimated purely on the basis of human capital theory will have the capacity to produce an appropriately skilled labour force.

The organizational principles on which the relationship between human capital and education rest tend to be based on a technical-rationalist approach to education generally and to the organization of schools as institutions in particular. This gives little consideration to the benefits of education other than economic utility. This emphasis on economic rationalism has meant that education values have become marginalized, thus distancing education from both the social and the cultural. The application of human capital limits the wider benefits that may be gained from a more liberally based education and marginalizes the ethical dimensions of education that might shape both the nature of educational institutions and the totality of the educational enterprise. In fact, matters related to schools as social and moral organizations, living with others in a diverse community and wider issues of social justice may be ignored in the quest for a narrowly defined form of academic attainment. Thus the social and the moral are subordinate to the economic and the utilitarian. This failure fully to consider the wider purposes and benefits of education has allowed policy makers to deduce simplistic solutions to complex problems and to develop approaches that serve very narrow purposes based on limited and restrictive

policy objectives linked specifically to economic utilitarianism and human capital outcomes.

Furthermore, the organizational principles on which the relationship between human capital theory and educational institutions is predicated—that the skills and knowledge that are required to initiate and sustain economic development are identifiable by either governments or employers and will be delivered by educational institutions—can be challenged. It is assumed that teachers will respond to the rewards and sanctions within the organization to ensure that an appropriate curriculum is delivered and that children are either sufficiently malleable to respond to a school's organizational structure and processes or that they understand their own self-interests sufficiently to follow the incentives created by the school (Lauder et al. 1998). This ignores the very tension that is at the centre of this type of education policy, between what the state might regard as economically desirable and what the individual might regard as appropriate personal development. It is doubtful, therefore, if people are equipped to grapple with life's changing challenges by focusing entirely on meeting the immediate instrumental needs of the state.

A similar tension exists within many educational institutions that derive their operational procedures from organizational principles that emanate from human capital theory. These operational practices tend to be based on certainty, predictability and the operation of rules. They are often inflexible, impersonal, heavily bureaucratic, rule-bound and based on a rigid separation of responsibilities within the organization, an hierarchical arrangement of those responsibilities, and on exclusivity rather than inclusivity (Zohar 1997). Such organizations are efficient and reliable. They are ideal for a relatively stable, predictable, if competitive, environment. As long as rules and procedures are followed, they operate with apparent smoothness and can give the impression of orderliness and of having an impressive ability to plan for and cope with the future. Many important processes, however, are marginalized in organizational forms based on order, simplicity and conformity where everything operates according to specific, knowable and predetermined rules and where actions are supposed to be rational, predictable and controllable. Learning, therefore, is rooted in the Newtonian scientific paradigm of analysis through dissection, so that the parts can be isolated and understood. That which should be learned becomes the same as that which is instrumental. It is an individualistic process that proceeds in a linear way through analysis and the construction of generalizations based on empirical evidence. It inhibits the development of the very creativity, imaginative thinking and entrepreneurship that is often required to sustain economic development.

Where there is a high degree of standardization and inflexibility in educational systems or the institutions within them, these very systems and institutions become singularly less well equipped to prepare their students to face demands for greater flexibility and creativity (Bottery 2004). Thus, schools cannot readily take account of forces emanating from the external environment in a period of rapid and extensive change and cannot generate the creativity and flexibility necessary to cope with such forces. Yet, it is widely acknowledged that the knowledge and skills that schools must seek to develop have to be based on creativity and innovation. Already

there is a major concern in Pacific Rim countries about the lack of critical thinking, creativity and innovative skills amongst students. The lack of such skills is widely regarded as one of the contributing factors to the recent decline in the Tiger Economies (OECD 1996). As Bassey (2001) recognizes, the over-riding emphasis of human capital theory on the role of education in contributing to economic competitiveness results in a set of pedagogical strategies linked to a narrow conceptualization of school improvement and effectiveness that ultimately are antithetical to the demands of a high skill economy. In other words, human capital, when applied to education, contains the seeds of its own failure. Thus, from a human capital perspective, the management of learning becomes problematic in itself since it can produce:

- Reductionism—the curriculum is split into a limited number of key areas.
- Positivism—science and mathematics became pre-eminent in the curriculum at the expense of the arts and humanities.
- Rationalism—values formation becomes an incidental rather than a central part of the curriculum.
- Quantifiability—the curriculum and assessment focus on what is measurable. ... The measurable is safer to handle than the intangible ... As a result the intuitive, the expressive, the unmeasurable, the subjective and the intensely personal have never found a satisfactory place in the curriculum. (after Beare 2001: 39–40)

Thus, the processes of managing teaching and learning created by an emphasis on the human capital approach to education fail to acknowledge the complexity of school organization and the development of effective teaching and learning. This reductionist view of education is rooted in human capital justifications for the entire educational enterprise.

The links made between educational, human and economic development, therefore, produce an excessively utilitarian approach to schooling that can lead to an inappropriate narrowing of educational objectives and processes because of the emphasis on national economic competitiveness (Kam and Gopinathan 1999). The human capital justification for the structuring of educational provision has produced an excessive instrumentalism in the curriculum:

Instrumentalism has produced the competencies movement; it has affected the curriculum, producing concepts like 'key learning areas', as though learning is not legitimate unless it is information-driven and packaged into traditional subjects ... It has driven the outcomes approach to schooling, a concentration on tests, the publication of school-by-school results and 'league tables'. (Beare 2001: 18)

These operational practices are all control devices to compel schools and colleges to concentrate on utilitarian outcomes linked to economic productivity and the demands of the labour market. Consequently younger children must become proficient in the basic skills of literacy and numeracy while their older siblings need to enhance their skills through an emphasis on information technology, science and mathematics. In tertiary colleges and universities, the focus shifts to that of the knowledge-based economy and lifelong learning to respond to the changing

demands of the work place (Bassey 2001). It is evident that the narrowing of the focus of education in Singapore, for example, has helped to create an education system that produces students who are excellent at passing examinations but very limited when it comes to creative thinking and the development of enterprise (Ng 1999). The STU noted that, in Singaporean education: ‘The emphasis was on results. We bred a generation of Singaporeans who were examination smart ... but we killed the joy of learning’ (Singapore Teachers’ Union 2000: 1).

The present global emphasis on developing human capital within a market or economic development paradigm, therefore, is based on a model of education policy that is deeply flawed in a number of ways. At the socio-political level, the human capital discourse of legitimization is both confused about the extent to which individuals can and do make educational choices based on human capital criteria and unconvincing about the degree to which investment in human capital does contribute to economic development. At the strategic level, the concentration on economic utility of education at the expense of its many other contributions may have adverse consequences for both society and the individuals within it. The organizational principles that shape the relationship between human capital and education produce organizational structures that mitigate against the development of the very skills that may be required to meet future economic challenges while the related operational practices lead to inappropriate forms of leadership and a reductionist approach to teaching and learning to the ethical dimensions of leadership and the wider issues of morality and social justice at a school level. Thus, human capital as the sole legitimization for the educative process in any society has severe limitations and may be counter-productive.

2.7 Conclusion

It can be seen therefore that human capital theory when applied to the educative process leads to education being treated as a private consumable, a commodity or a positional good in the market place at both individual and state level (Bottery 2004). The rationale for change and re-structuring in education is largely cast in economic terms, especially in relation to the preparation of the workforce and repositioning national economies to face international competition (Levin 2003). The impact has been significant:

leading to changes in management processes and organization, institutional cultures (at all levels) and in perspectives on a wide range of dimensions of education from teaching and learning, to resource management and external relations. (Foskett 2003: 180)

Nevertheless, as has been argued above, human capital theory as the sole legitimization for educational policy has severe limitations such that its outcomes may be counter-productive. It has produced a situation in which education has become merely a way of increasing the value of human labour. This fails to recognize that both education and labour are more than commodities and that they are value-driven

social processes. The human capital discourse, therefore, requires to be replaced by either an alternative form of legitimation or a significant leavening by incorporating key aspects of an alternative legitimation. Education is more than the production of human capital. It is about values and beliefs, ethics, social justice and the very nature of society both now and in the future. As Hills has argued, the basis for education in the future is not:

Facts and figures ... the explicit knowledge of the internet, the textbook or the lecture theatre because much of this is quickly obsolete and is often an obstacle to new ideas. It is the implicit knowledge gained from experience, or ... case studies, because ... these are the bases of values, morals and character. They prepare a person for the unexpected and the difficult decision. (Hills 2004: 27)

The deployment of the four-level framework for policy analysis presented in this chapter can highlight the fundamental contradictions inherent in much educational policy by exploring the precise nature of the languages of legitimation political discourses that are evident in the wider socio-political environment. By linking these discourses to the evolving governance and strategic directions that emerge from policy development the framework can help to establish both consistencies and inconsistencies in the policy development process. The framework, by exploring how organizational principles that are derived from the overall strategic directions within the policy, helps to illuminate where the conflicts in policy enactment might emerge. It can also go some way towards identifying consistencies and inconsistencies between organizational principles and operational practices and, in so doing, demonstrate the complex, contested nature of educational policy.

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