



## Information for Social Change

*"an activist organisation that examines issues of censorship, freedom and ethics amongst library and information workers..."*

### **Discussion on the education White Paper for England and Extensions of the Commodification Process in Libraries and Schools<sup>1</sup>**

**Ruth Rikowski and Glenn Rikowski**

The UK Government's education White Paper came hot off the press on 25<sup>th</sup> October 2005. It applies only to England<sup>2</sup>. Glenn Rikowski has been analysing the trend towards the 'business takeover of schools' in England for some years now. The education White Paper witnessed the deepening of this process; some of his worst fears were coming to pass (especially regarding proposals that would develop further the marketisation of schools). But out of a negative appeared a positive: a chance to talk about it all on BBC Radio 4, on the programme *The World Tonight*, on the evening of the 25<sup>th</sup> October 2005 – the day the White Paper came out!

'The business takeover of schools' – scaremongering talk many would argue. Even some on the educational Left say that there is nothing to worry about and that it will not happen anyway (e.g. Hatcher, 2005). This is what Stephen Timms MP, who at the time was the UK Schools Minister basically said to Glenn Rikowski, when he spoke to him about this topic in relation to the General Agreement on Trade in Services (GATS) in 2002. 'The business takeover of schools': this is not complete privatisation (where companies *own* the schools) but where companies move into schools and work to a contract in order to make profits. Once that has been accomplished, it then paves the way to bring in the GATS, which is an agreement that is being developed at the World Trade Organisation (WTO), that we have both written extensively about in relation to libraries and information (Ruth) and schools in England (Glenn). But it was Glenn Rikowski that first got into this area, with his little book, *The Battle in Seattle: its significance for education* (2001). The GATS is about the liberalisation of trade in services. So, once elements of commercialisation and privatisation have been introduced, this then paves the way to enable large multinational companies to gradually start to make inroads into our state-funded services, and this includes our schools and our libraries.

In conversation with Glenn, Timms denied this basic point. Yet, with the White Paper, we witness a further step along this road in England.

On *The World Tonight*, Glenn spoke about the 2002 Education Act (Her Majesty's Government, 2002), which, as he pointed out:

*...enabled schools to set themselves up as companies, to trade with other companies, to trade on the stock exchange and so on...*

He then emphasised how the White Paper was an extension of this Act, with the further development of federations, academies and new Trusts, resulting in opportunities for companies to be able to make further inroads into the state schools system.

Jacqui Smith, the Schools Minister, spoke about the White Paper on the programme, saying that its aim was to get the state school sector to work more closely with independent schools, academies, specialist schools, and to achieve 'standards of excellence'. She argued further that this is the purpose of the White Paper, and that it is not about the privatisation of schools.

According to Smith:

*...there are lessons to be learnt from academies, from specialist schools about the contribution that external partners can make to helping to drive improvement in schools. We are thinking about charitable Trusts set up, perhaps, with educational foundations, with successful schools setting up Trusts so that they can share good practice with others.*

However, Ian Gibson, a back bench Labour MP also on *The World Tonight* programme, was sceptical about the extent to which independent schools would want to be involved in state education anyway. Whilst Jonathan Shepherd, General Secretary of the Independent Schools Council, representing over 1,200 independent schools, in discussion with Glenn Rikowski on the programme, seemed to think that it could work, and indeed could work very effectively. Jonathan Shepherd said:

*We are working in partnership with the maintained sector already. I think the Trust model gives our schools a chance to get more involved, to make more of a contribution and I am very sure that a lot of schools would want to do that.*

He continued, saying:

*The boundaries have been becoming increasingly blurred over the past few years, and there is much more cooperation, there is much more realisation on both sides, that we are all in the same business of trying to educate children...*

The main focus of the programme was on this notion of a growing partnership between the independent schools sector and the state school sector, as outlined in the White Paper, but Glenn broadened the topic out to wider and ultimately more threatening issues. It is these wider issues that we need to maintain a firm grasp of and understanding about. And these wider issues relate to library services as well.

To appreciate the real threat, we need to understand global capitalism, and in order to effectively grasp this we need to go back to the writings of Karl Marx. Then, we need to make Marxism relevant to the world that we find ourselves in today. For this, we need to start with the **commodity**. Marx began his analysis of capitalism, in *Capital Vol. 1*, with the commodity, saying that:

*The wealth of those societies in which the capitalist mode of production prevails, presents itself as an 'immense accumulation of commodities', its unit being a single commodity. Our investigation must therefore begin with the analysis of a commodity. (Marx, 1887, p. 43)*

The logic of capitalism is the commodification of all that surrounds us. As a completed, total project, this is impossible in reality; but this is because *practically* capitalism is a madhouse, based on irresolvable contradictions. Yet nevertheless, it drives towards the commodification of the whole of social existence; despite (and because of) the resistance of labour. This is because it is a system that has evolved out of previous social systems – it is not a social, economic and political system that we have arrived at by using our intellect and by deciding that this is a better system than any other social, economic and political system. As Ruth says in her book, *Globalisation, Information and Libraries* (2005a):

*Capitalism is a social system that has emerged/evolved from other social systems, such as feudalism and ancient slave-based societies. It is not a system that has developed as a result of a carefully thought-through process, using our intellect to think about what would be the best social, economic and political system to have. It is anarchic. (R. Rikowski, 2005a, p. 298)*

Thus, what we are actually witnessing here with the education White Paper and with many other papers, agreements and directives etc. that are being introduced today globally, is the extension of the commodification process. Capitalism needs to commodify more and more areas of life. The World Trade Organisation has been set up to enhance trade – and trade is about selling commodities. So, in order to enhance this process there need to be more commodities that can be traded. The agreements being set up at the WTO assist with the extension of this commodification process.

In various published works Ruth has focused on the two agreements that are likely to have significant implications for libraries and information: namely, the General Agreement on Trade in Services (GATS) and the agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). Glenn, in his published works, has focused on the implications of the GATS for schools in England. The GATS and TRIPS are in essence about transforming services (through GATS) and intellectual property rights (through TRIPS) into international tradable commodities.

So let us return to the *commodity*. We have to appreciate fully the fact that we need to begin our analysis of capitalism with the commodity. Furthermore, that value that is created by labour, and can only ever be created by labour becomes embedded in the commodity. As Marx said:

*...human labour creates value, but is not itself value. It becomes value only in its congealed state, when embodied in the form of some object. (Marx, 1887, p. 57)*

These commodities are then sold in the market-place, profits are made (and profits are derived from value) and thus capitalism is sustained and perpetuated, whilst labour is exploited, alienated and objectified. Therefore, the aim in capitalism is to commodify more and more areas of life, and the GATS and TRIPS assist with this process.

Coming back to the education White Paper, this can actually be seen to be a mechanism that will help to enable the GATS to take effect. It is, in fact, one of the *National Faces of the GATS*, which is a concept that Glenn Rikowski formulated, and that Ruth has applied to public libraries. Ruth has argued that Best Value, Library Standards and the People's Network are all examples of the *National Faces of the GATS* – i.e. they are mechanisms and *facilitators* that will *enable* the GATS to take effect in our public libraries. They generate an environment that enables service suppliers other than state-run local authorities to start to take a hold, and this brings in the international legal framework of the GATS in its wake and also opens up UK services to international capital (see R. Rikowski, 2005a and R. Rikowski, 2002a and 2002b).

Thus, the education White Paper outlines its vision for the setting up of Trusts and academies etc – but as strictly ‘not-for-profit’ organisations, as Jacqui Smith, the Schools Minister emphasises. However, once this type of school system is in place, it creates an environment of alternative suppliers, beyond the local education authority. This is already taking place anyway, as both Robin Lustig, *The World Tonight* presenter, and Glenn Rikowski made clear on the radio programme. Robin Lustig refers to ‘Edu-Business’ companies, and Glenn emphasises how some local education authorities themselves are already being run by companies, and that some individual schools are being run by companies on contract (see G. Rikowski, 2005a). Therefore, whilst the White Paper is not proposing to bring in ‘for-profit’ organisations into the state schools system (specifically in relation to the new Trusts), it will create an environment that will enable this process to be extended and exacerbated: i.e. it is a *National Face of the GATS*. Thus, despite what Jacqui Smith might say, this is what the White Paper is fundamentally about: part of the beginning of the business takeover of the state school system, and beyond this, to the commodification of educational services in the UK in general and also throughout the European Union.

Furthermore, as Glenn Rikowski (2005b) has noted, although the White Paper says that Trusts cannot make money (and indeed must pass down any surpluses to their constituent schools), there is nothing in the White Paper that says *schools* cannot make profits; or that *companies* running schools cannot do so; or that the companies that schools can set up under Education Act 2002 cannot do so. These subtle points are ignored by those such as Richard Hatcher (2005). Hatcher implies that just because the White Paper says that Trusts cannot make profits then no profits can be made in the schools sector in England. Hatcher's limited analysis (in Hatcher, 2005) fails to take into account Education Act 2002, which provided a legal framework for the following:

- School governing bodies can constitute themselves as companies
- Once they have set themselves up as companies, schools can invest in other companies
- School companies can enter into deals with private sector operators
- School companies can be part of a ‘federation’ or chain of schools. Private companies can lead these federations
- Schools can also set up educational services and sell them to other schools

- The Secretary of State for Education has the power to form companies for involvement in any area of school life or local education authority service

(Rikowski, G. 2003, p.99)

Education Act 2002 is not referred to in the White Paper, and therefore these measures may be unaffected by the Education Bill to come in February 2006 (and subsequent Act). Hatcher (2005) has also argued that companies cannot make sufficient profits out of schools. But as Glenn demonstrated (2005b), this is just wishful thinking on Hatcher's part. Certainly there are representatives of companies that want to get more involved in running state schools for profit and who believe that adequate profits can be made – if the *conditions* are right. For them, it is up to the government to provide the legislative framework so that profits can be made out of running state schools. People like Sunny Varkey, the Dubai-based owner of the Global Education Management Systems (GEMS) international chain of private schools, believe that private companies running state schools for profit is the way forward:

*Entrepreneurs will be given free reign in running state schools within years according to Sunny Varkey, the Dubai-based businessman who set out to revolutionise the private education market. "The US has sent a man to the moon and they are still having problems with education", he says. "This is the only industry that is still controlled by most of the governments in the world and almost all of them are having problems with it" (Boone, 2005)*

The Confederation of British Industry, in a report published early last year, argued that due to various shortcomings in the state school system more private operators should be brought in to run schools (see CBI, 2005).

Dave Hill (2005), drawing on data from his International Labour Organisation research on the impact of neoliberalism, globalisation and commodification on educational services and on education workers' rights and working conditions, has argued that capital has a 'number of plans with respect to education' (p.259). One of these plans – the *capitalist plan in education* – is:

*... to smooth the way for direct profit-taking/profiteering from education. It is about how capital wants to make direct profits from education. This centres on setting business 'free' in education for profit-making and profit-taking by capital, extracting profits from privately controlled/owned schools and colleges or aspects of their functioning. Common mechanisms are, for example, from managing, advising, controlling and owning them (Hill, 2005, p.260)*

The education White Paper does indeed 'smooth the way' (after Hill, 2005) for direct profit-making from the schools system in England by private sector outfits of the likes of Sunny Varkey's GEMS, Chris Woodhead's Cognita company, various 'edubusinesses' and large services companies, as Glenn Rikowski (2005b) indicates.

Thus, ultimately the education White Paper leads to the extension of the commodification process and to further marketisation. As Glenn says:

*All-in-all, the White Paper promotes 'freer' markets for educational services in schools... In deepening market relations in the state schools system in England, the White Paper opens the door further to capital and the capitalisation of schools. (G. Rikowski, 2005b, p.6)*

Furthermore, that:

*...neoliberalism...in general and when applied to the schools system in England, is about the development of capital as well as markets, which takes us into the realm of the commodity and commodification – with value, surplus value and profit in tow. Neoliberalism nurtures the development of capital and seeks to crash down any barriers to capital accumulation. (G. Rikowski, 2005b, p.4)*

Thus, we need to recognise and appreciate the fact that it was Marx that said that we need to begin our analysis of capitalism with the commodity and that it is the commodification process that we see that is being exacerbated and enhanced today; through this education White Paper, through the GATS and the TRIPS and the WTO in general, and indeed, in many, many other areas within contemporary global capitalism.

In terms of Ruth's work, she consistently endeavours to alert the library and information profession to the dangers that are being posed to the profession through the GATS and TRIPS, and how these agreements threaten many of the fundamental principles in the profession, such as the balance in copyright and a free public library service.

Furthermore, that there is a need for more in-depth Marxist analysis about various developments in the profession. Toni Samek (2005) says in her review of Ruth's book in *Feliciter*, the Canadian Library Association journal:

*In a profession that is regrettably light on theory, the fresh Marxist analysis offered here is an exceptionally important contribution to our literature. In essence, Rikowski urges us to envision alternatives to the status quo in order to redress the balance in the free flow of information. This is a remarkable book and I highly recommend it for all library sectors and constituencies, including LIS schools.*

Thus, let us return to Marx, use the tools and concepts that he gave us to examine and analyse what is going on in the global capitalist world that we find ourselves in today. From this, we will then be in a strong position to be able to look for an alternative society, where the needs of people are put before profit. Let us look towards a better future and a brighter world.

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## **NOTES:**

1. This is an edited and extended version of *A discussion on 'The World Tonight'*, BBC Radio 4 programme, 25<sup>th</sup> October 2005, 10.00pm, about the UK Government Education White Paper and links with the GATS, Library Services, Education Services and the extension of the commodification process (Rikowski, R. 2005b) in *Managing Information Forum*, 22<sup>nd</sup> November, with comments from three respondents:

<http://www.managinginformation.com/Forum/index.php?act=Print&client=printer&f=2&t=217>

2. The forthcoming Education Bill (February 2006) will apply principally to England, but the Welsh Assembly will consider the Bill in terms of which of the provisions and powers are to be extended to Wales (see Her Majesty's Government, 2005, p.116).

## **Websites**

Visit the Rikowski website at <http://www.flowideas.co.uk>

Visit *The Volumizer*, Glenn Rikowski's web log at: <http://journals.aol.co.uk/rikowskigr/Volumizer/>

Transcription of the 'World Tonight' programme, compiled by Ruth and Glenn Rikowski is available at:

<http://www.flowideas.co.uk/?page=perform&sub=Radio%20Programme%20Transcriptions>

And also at Information for Social Change web site: <http://libr.org/ISC/>

## **Further Information regarding the Education White Paper**

Schools White Paper: Highlights – links to documents relating to the White Paper:

<http://www.dfes.gov.uk/highlights/article06.shtml>

The White Paper – PDF and Word downloads from:

<http://www.dfes.gov.uk/publications/schoolswhitepaper/>

Press Release on the White Paper:

[http://www.dfes.gov.uk/pns/DisplayPN.cgi?pn\\_id=2005\\_0124](http://www.dfes.gov.uk/pns/DisplayPN.cgi?pn_id=2005_0124)

The Prime Minister's Presentation on reforming the school system:

*Information for Social Change Issue 22*

<http://www.number-10.gov.uk/output/Page8333.asp>

Parliamentary Speech: Secretary of State for Education, Ruth Kelly, presents the White Paper to Parliament:

[http://www.parliament.the-stationery-office.co.uk/pa/cm200506/cmhansrd/cm051025/debtext/51025-05.htm#51025-05\\_spm3](http://www.parliament.the-stationery-office.co.uk/pa/cm200506/cmhansrd/cm051025/debtext/51025-05.htm#51025-05_spm3)

*Ruth Rikowski and Glenn Rikowski, London, 4<sup>th</sup> January 2006*