

# **The State, Privatization and Educational Policy: A Critique of Neoliberalism in Latin America and Some Ethical and Political Implications.**

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## ***Nota Bene***

This paper focuses on the notion of external assistance in neoliberal times. A central component of external assistance in educational policy is to propose an ethos of privatization in the context of the neoliberal state with a prominent role played by neoliberal international organizations. To illustrate the theoretical distinctions resulting from drastic changes from a liberal state to a neoliberal state, and the key dilemmas and tensions of external aid in this process, this paper discusses the role of the World Bank as an important neoliberal institution in the globalization of capitalism. While an in-depth discussion of the World Bank's policies and practices, or its political economy, are beyond the intend of this paper, by focusing on key elements of the World Bank's lending process but particularly research policies, this paper addresses key ethical (and political) dilemmas of educational research and planning.

**Not to be cited, quoted or references**

## The State and Education: An Overview

The liberal conception of the state is centered on the notion of separate public powers (for the government and the governed) and it is conceived as the supreme political authority within precise limits.<sup>1</sup> This liberal notion of political authority should be reconsidered from the perspective of contemporary political science. There is, without doubt, a tradition of liberal political analysis which primarily addresses the question of sovereignty of the state and citizenship; that is to say, the formation of the citizen and the political culture of the nation. A second tradition, that of liberal democracy, questions problems of political representation and accountability; that is, how the actions of individuals, institutions and the state itself are subject to controls and checks and balances. This is particularly relevant in regard to the actions of individuals, institutions, corporations and state agencies in the constitution of the democratic pact, and to what a extent their actions damage or betray the democratic pact. A third tradition, Marxism, emphasizes the question of the power of the state, especially those aspects which are related to the relationship between social class structure and the forces and instruments of political coercion. This analysis supposes that obtaining consensus and the implementation of measures which guarantee the fair representation of interests, is not outside the realm of pressured persuasion or coercion, nor outside the realm of social relations of domination and exploitation. Finally, the perspective of political sociology, with the extraordinary contributions of Max Weber, focuses on the study of institutional mechanisms of the operation of the state, and especially on the exercise of the authority of the state and the relationships among nation-states.<sup>2</sup>

From the critical perspectives of liberalism, and especially those which are rooted in the theories of democracy, neo-Marxism and political sociology, the discussion of the state takes on new dimensions. In a preliminary approach, the notion of the state appears as a heuristic instrument, as a concept which differs radically from the classical

notions of political regime, government, or public power. In regards to this heuristic instrument, the notion of the state includes the idea of the condensation of power and force in the society. The exercise of the power of the state occurs by the exercise of actions of power and coacción over civil society by means of specialized state apparatuses. This notion of the condensation of power also refers to another central aspect of the state--the notion that the state exercises power. This power is independent of the major social actors and on occasion, it is exercised according to specific interests represented in society--for example state action on behalf of specific elites. Thus, the power of the state can reflect a specific political project, a class alliance, or a coalition of specific economic, social, cultural or moral interests. The state appears as an alliance or a pact of domination.

There is a central idea in these perspectives of domination in which the state is also an arena of confrontation for conflicting political projects. As an arena of confrontation, it not only reflects the vicissitudes of social struggles and the tensions inherent in agreements and disagreements between social forces, but it also reflects the contradictions and difficulties of carrying out unified and coherent actions which are within the parameters of a specific political project. Every public policy, even though it is part of a project of domination, reflects an arena of struggle and a sounding board for civil society and its inherent tensions, contradictions, political agreements and disagreements.

Approaching the state strictly as an actor in the struggle between social classes de-emphasizes other important variables related to social action. In addition to class distinctions, other aspects of race, ethnicity, gender, geographical location, or ethical-moral or religious differences among individuals produce social relations and social actions which require the state to legislate, sanction, manage, and punish. According to Claus Offe, one of the central issues related to the state is the contradiction between the state's need for capitalist accumulation and the legitimacy of the capitalist system itself. Offe proposes an analytical approach, based on systems theory, which complements

and extends Gramscian analysis and Poulantzas' interpretation. For Offe, the state is a mediator in the crisis of capitalism and it acquires specific functions in the mediation of the basic contradictions of capitalism--the growing socialization of production and the private appropriation of surplus value. In order to measure this fundamental contradiction, the state is obliged to increase its institutional functions.<sup>3</sup>

For Offe, the state is an auto-regulating administrative system which reflects a group of institutional rules, regulations and conventions which have historically developed in capitalist societies. Furthermore, the capitalist state does not necessarily respond directly to those who temporarily exercise power (the government of a particular political regime or party), nor does it directly respond to the dictates of particular social sectors (economic interests) or dominant classes. Given that the state appears as a pact of domination which mediates and attempts to prevent the recurrent crises of the capitalist system from affecting the conditions of production and reproduction of that system, the class perspective of the state is not based on representing specific sectoral interests, nor does it reflect the policies of the dominant classes or of a specific political group which may control governmental institutions.<sup>4</sup>

To conclude, the state, as a pact of domination and a self-regulated administrative system, plays a central role as mediator in the context of the crisis of capitalism, especially regarding the contradictions between accumulation and legitimation. The discussion of theories of the state are particularly important for education for several reasons. First of all, the definition, interpretation, and analysis of educational problems and their solutions depends to a large extent on theories of the state which justify and underlay the diagnostic and solution. In addition, the new kinds of state intervention, often defined as the neoliberal state, reflect a substantial change in the logic of public action and involvement of the state in Latin America. At the same time, this change in the character of the state can also reflect new visions about the nature and limits of the democratic pact, and of the character and role of education and educational policy in the global spread of capitalism.<sup>5</sup>

The following two sections will discuss two antinomical visions and practices of the state, the welfare state and the neoliberal state; two visions and practices which offer distinct options in regards to educational policy. Subsequently, using a political economy of education approach, the discussion of the neoliberal state will be linked to the globalization of capitalism. Then, an epistemological discussion of the characteristics of normal science in the context of social sciences will follow. This discussion is important because the characteristics of normal science determine the logic and reasoning of the dominant model of educational planning and it highlights the possibilities and limitations of the educational policies implemented by neoliberal governments. It is also important to undertake an epistemological discussion in order to conclude this work with a detailed analysis of the logic of the educational policies promoted by the World Bank, a main actor in the definition and implementation of the policies of rationalization, stabilization and economic and educational restructuring of dependent capitalism.<sup>6</sup> Some practical questions and ethical challenges to external intervention are outlined in the concluding section.

### **From the Welfare State to the Neoliberal State**

The welfare state represents a social pact between labor and capital. Its origins can be found in the institutional reorganization of capitalism at the beginning of the century in Europe, especially in the European social-democracies, such as the Scandinavian countries. More recently, the New Deal engineered during Roosevelt's administration in the United States represents a form of government in which the citizens can aspire to reach minimum levels of social welfare, including education, health, social security, employment and housing. These things are considered a right of citizenship rather than charity.<sup>7</sup> Another central aspect is that this model operates under the assumption of full employment in an industrial economy following Keynesian models. For many reasons, such as the populist experiences and the

extreme inequality of income distribution in Latin America, state formations with a strong element of intervention in civil society have some similarities with the model of the welfare state. However, there is also an important divergence, especially the lack of state unemployment benefits. This state, which plays an important role as the modernizer of society and culture, is also a state which undertakes protectionist activities in the economy, supports the growth of internal markets, and promotes import substitution as a central aspect of the model of articulation between the state and society.

It is important to point out the expansion and diversification of education took place in states very similar to the welfare state. These were interventionist states which considered educational expenditures as an investment, expanded educational institutions, including the massification of enrollments, and enormously expanded educational budgets and the hiring of teachers. The role and function of public education was expanded, following the premises of the 19 century Liberal State that consolidated the nation and markets. In this liberal models of the state, public education postulated the creation of a disciplined pedagogical subject, and the role, mission, ideology, teacher training models, as well as the founding notions of school curriculum and official knowledge were all profoundly influenced by the predominant philosophy of the state; that is, a liberal philosophy which was despite its liberal origins, state-oriented.<sup>8</sup>

## **Premises of the Neoliberal State**

Neoliberalism, or the neoliberal state, are terms used to designate a new type of state which emerged in the region in the past two decades. Tied to the experiences of the neoconservative governments, such as those of Margaret Thatcher and John Mayor in England, Ronald Reagan in the United States, and Brian Mulroney in Canada, the first experience of neoliberalism implemented in Latin America is the neoliberal economic program carried out in Chile after the fall of Allende under the dictatorship of General Pinochet. More recently, the market models implemented by the governments of Carlos Saúl Menem in Argentina and Salinas in Mexico represent, with the particularities of the Argentinian and Mexican circumstances, a neoliberal model.<sup>9</sup>

Neoliberal governments promote notions of open markets, free trade, the reduction of the public sector, the decrease of state intervention in the economy and the deregulation of markets. Lomnitz and Melnick point out that historically and philosophically neoliberalism is associated with structural adjustment programs.<sup>10</sup> Structural adjustment is defined as a set of programs, policies and conditionalities which are recommended by the World Bank, the International Monetary Fund and other financial organizations. Although the World Bank distinguishes between stabilization, structural adjustment and the policies of adjustment, it also recognizes that the use of these terms are "imprecise and inconsistent".<sup>11</sup> These programs of stabilization and adjustment have given rise to a number of policy recommendations, including the reduction of state spending, the devaluation of currencies to promote exports, reduction of tariffs on imports, and an increase in public and private savings. A central aspect of this model is a drastic reduction in the state sector, especially via the privatization of state enterprises, the liberalization of salaries and prices, and the re-orientation of industrial and agricultural production towards exports. In the short run, the purpose of these policy packages is to reduce the size of the fiscal deficit, public debt, inflation, exchange rates and tariffs. In the medium and long run, structural

adjustment is based on the premise that exports are the engine of development. Thus, structural adjustment and stabilization policies seek to free international exchange, reduce distortions in price structures, do away with protectionism, and facilitate the influence of the market in the Latin American economies.<sup>12</sup>

The premises of the neoliberal state can be synthesized as follows. The political rational of the neoliberal state is made up of a mixture of theories and interest groups which are tied to supply side economics, monetarism, neoconservative cultural sectors, groups opposed to the redistributive policies of the welfare state, and sectors worried about the fiscal deficit at all costs. In other words, it is a contradictory alliance. These state models respond to fiscal crises and the crisis of legitimacy (real or perceived) of the state. In this way, the citizens' crises of confidence are important crises for the exercise of democratic representation and confidence in governments. In this culturally conservative and economically liberal model, the state, state interventionism, and state enterprises are part of the problem, not part of the solution. As has been pointed out on several occasions by neoliberal ideology, the best state is the small government.

The prevailing premises of the economic restructuring of advanced capitalism and the premises of structural adjustment are highly compatible with the neoliberal models. They imply the reduction of public spending, reduction of programs considered waste and not investment, sale of state enterprises, and mechanisms of deregulation to avoid state intervention in the business world. Together with the aforementioned, it is proposed that the state should participate less in the provision of social services (including education, health, pensions and retirement, public transportation and affordable housing) and that these services should be privatized. The notion of 'private' (and privatizations) is glorified as part of a free market. It implies total confidence in the efficiency of competition because the activities of the public or state sector are seen as inefficient, unproductive, and as a social waste. In contrast, the private sector is considered to be efficient, effective, productive and responsive, because of its less bureaucratic nature, to better and flexibility to adapt to



the transformations occurring in the modern world. Free trade agreements, such as MERCOSUR or NAFTA between the United States, Mexico and Canada, lead to production for export and the reduction of quota barriers which are two central elements for the global circulation of capital. This is why, in contrast to the model of the welfare state in which the state exercises a mandate to uphold the social contract between labor and capital, the neoliberal state is decidedly pro-business; that is to say, it supports the demands of the business world. Nevertheless, as Schugurensky rightly points out, this departure from state interventionism is not total, but rather diferencial.<sup>13</sup> It is not possible to abandon, for symbolic as well as practical reasons, all of the state's social programs. It is necessary to difuse conflictive and explosive areas in the realm of public policy. That is why there are programs of social solidarity in Costa Rica and Mexico, or why Brazil and other Latin American countries have passed legislation which protects street children (os meninos e meninas da rua.) Thus, the modification of the schema of state intervention is not indiscriminate, rather it is a function of different power of the clientele, which leads to policies of solidarity among the poorest of society as well as subsidies and the transfer of resources for the middle and dominant sectors, including those who are fundamentally against protectionism. Furthermore, the state does not abandon the mechanisms of discipline and coercion, nor populist strategies of distribution of wealth (or promises of such), in order to obtain electoral consensus, especially during electoral campaigns. That is, the dismantling of the public policies of the welfare state are selectively, not indiscriminately, directed at specific targets.

A central element for understanding the development of neoliberalism is the globalization of capitalism. The phenomena of globalization is based on the transformation of capitalism which alters the principles of the functioning of capitalism of petty commodity producer, or imperialist expansion as the ultimate phase of capitalism (in the vision of Lenin), or the notion of monopoly capitalism analyzed by theoretical currents tied to the *New Left* in the United States (Paul Baran and Paul

Sweezy), or what Claus Offe has denominated late or disorganized capitalism.<sup>14</sup> From a postmodern perspective, Fredric Jameson defines the characteristics of postmodernism as the cultural logic of late capitalism.<sup>15</sup> The important element to retain is the idea of globalization in a post-Fordist world. It is central to understanding the transformations of capitalism and the transformations of the neoliberal model of the state.<sup>16</sup>

Before discussing the theme of the ties and tensions between globalization and the state, it is important to emphasize the main contradiction of the neoliberal and neoconservative models. These contradictions are reflected in various domains. On one hand, the neoliberal (or neoconservative) models promote individual autonomy (that is, possessive individualism). On the other hand, they suggest that all citizens have public responsibilities, which is not reconcilable with possessive individualism. In the economic realm, a similar dilemma exists in regards to promoting individually-conceived preferences and the search for an alternative selection of public policies based on "rational public social choice". If, following the paradox proposed by Arrow, markets are aggregates of individual preferences totally independent of any notion of the public good, in whatever democratic milieu, paraphrasing Williams and Reuten, this mechanism only functions when there is considerable convergence in the order of preferences of individuals. This model of political philosophy cannot easily reconcile individuals with autonomous individual preferences and the state as an arena of negotiation of such preferences. Furthermore, it is impossible to advance this reconciliation with presuming that there is a set of norms of behavior which are stable, supported by a mature state structure, a rational public policy based on a legal-rational model, and in the context of consensual bases which are widely accepted in the political culture of society. These conditions are obviously rather different from the everyday reality of the majority of the countries in the world.<sup>17</sup>

## **The Globalization of Capitalism**

Economic globalization is the result of a world-wide economic restructuring which involves the globalization of economies, science, technology and culture, as well as a profound transformation in the international division of labor.<sup>18</sup> Along with this transformation in the international division of labor there has been a readjustment of economic integration among nations, states, and national and regional economies. In large part, this globalization is a result of changes in communications and computer technology which increase the productivity of labor, replace labor with capital, and lead to the development of new areas of high productivity (for example, software technology which helped people like multi-millionaire Bill Gates and Microsoft have a world reach). These changes are redefining relations between nations and they involve the mobility of capital via international exchanges as well as short-term, high-risk financial instruments. There is an enormous concentration and centralization of capital and production at the international level.<sup>19</sup>

In regards to labor in contemporary capitalism, labor markets are not homogeneous. The segmentation of labor markets implies that there are at least four kinds of markets : 1) one which responds to the demands of monopoly capitalism, usually transnational; 2) a second which responds to the demands of competitive capitalism, representing the secondary labor market; 3) a third which is the public sector, one of the few labor markets relatively protected from international competition; 4) and finally, a rapidly-growing marginal labor market which includes everything from illegal transactions (such as narcotraffic) to self-employment, domestic work, family enterprises, small-scale subsistence production, and numerable other economic activities which have been called marginal, underground or informal work.

One of the central characteristics of this highly-globalized capitalism is that the factors of production are not located in close geographic proximity. Furthermore, the marginal profit rates are growing because of the continued increase in per capita productivity (whose rate of growth continues to increase in advanced capitalism) and a reduction of costs (via lay-offs, intensification of production, replacing more expensive

workers with less expensive ones, or the replacement of labor with capital). With the growing segmentation of labor markets in which the primary markets offer more income, stability and perquisites, there has been a replacement of hourly wage by payment by piecework. This creates a clear distinction between the nominal and real salaries and wages of workers and the social wage via indirect loans and state actions. At the same time, this set of transformations implies the decline of the working class and a reduction of the power of organized labor in negotiating economic policies and in the constitution of the social pact underscoring state domination. Following the secular tendency of the last three or four decades, service sectors continue to grow, reducing the importance of the gross national product in the primary sector and manufacturing-- though there are clear indications of substitution of 'middle men' by technology as it is evident in the declining importance of travel agents and real estate agents in their respective economic transactions.

These changes in the global composition of labor and capital are taking place at a time when there is an abundance of labor and when the conflicts between labor and capital are decreasing. The increase of supernumerary workers is also associated with an increase in international competition and the conviction on the part of the working class and labor unions that it is not possible to exclusively pressure the companies in search of more and better social services or salaries. This is impossible because of the abundance of labor, as well as the awareness of the falling profit margins of companies in the transnational and competitive environment, and the resulting loss of jobs and the accelerated migration of capital from regional markets in advanced capitalistic countries to areas where labor is highly-skilled and poorly-paid. The threat of free-trade agreements such as NAFTA or the new arrangements proposed by the GATT mark the limits of protectionist policies. Two well-known examples are those of engineers and computer experts from India entering the payroll information of North American companies in databases for a fraction of the cost of employing white collar workers, or the low-cost mass production by Chinese workers, sometimes subject to forced labor.

In order to deal with falling rates of profits, transnational capitalism is attempting to achieve more productivity per capita or the reduction of the actual costs of production, as well as transferring their production activities to tax-free zones where there is cheap and highly-skilled labor, limited organized labor, and easy, efficient and cheap access to natural resources.

This new global economy is very different from the former national economy. National economies were previously based on standardized mass production, with a few managers controlling the production process from above and a great number of workers following orders. This economy of mass production was stable as long as it could reduce its costs of production (including the price of labor) and retool quickly enough to remain competitive at the international level. Because of advances in communications and transportation technology and the growth of service industries, production has become fragmented around the world. Production is moving to areas of the world where there is either cheaper or better-trained labor, favorable political conditions, access to better infrastructure and national resources, larger markets and tax incentives.<sup>20</sup>

The new global economy is more fluid and flexible, with multiple lines of power and decision-making mechanisms, analogous to a spider's web, as opposed to the static pyramidal organization of power which characterized <sup>21</sup> the traditional capitalist system. While the public education system in the old capitalist order was oriented toward the production of a disciplined and reliable work force, the new global economy requires workers with the capacity to learn quickly and who can work in teams in reliable and creative ways. These workers are those which Reich defines as symbolic analysts and they will make up the most productive and dynamic segments of the labor force.<sup>22</sup>

Along with the segmentation of labor markets, full-time workers have been replaced with part-time workers (with a substantial reduction in the cost of labor due to fewer employer contributions to health, education, social security, etc.), an increase in

female participation in labor markets, a systematic fall in real salaries, and a growing gap which separates salaried workers from the dominant sectors of society. A similar international phenomenon can be identified in the growing social and economic gap between developing countries and advanced, capitalistic nations. The only exceptions are the newly-industrializing countries of Asia.

It is now useful to turn to the social sciences paradigm which dominates educational planning. This discussion will be an epistemological transition which will contribute to the analysis of specific educational policies in the neoliberal model.

### **Educational Planning and the Social Sciences: Positivism as Normal Science**

The logic of educational planning is closely linked with the model of normal social science, dominated by the epistemological paradigm of positivism.<sup>23</sup> Positivism responds to a set of suppositions about how scientific work should be undertaken. Knowledge, for positivism, exist at three levels of abstraction and hence generalization; at the level of particular observations, at the level of laws and empirical generalizations, and at the level of theoretical statements and definitions.<sup>24</sup> In general terms, explanations are based on the possibility to establish regularities or a patterns of uniformities which can be differentiated from accidental generalizations or laws.

However, since strong positivist explanations are drawn from the natural sciences rather than the social sciences, positivism faces a principle of ambiguity in social sciences which is not ever present in natural sciences: an event that doesn't conform to a rule of universality invalidates the rule which, in social sciences is virtually the case of any event because its open-ended, and intrinsically potential idiosyncratic nature. This then invites positivism to consider regularities in a more flexible form, by resorting to notions of statistical probabilistic models, rather than generalization of laws, or law-like explanations. Laws, and law-like models of explanations, should be differentiated from

merely empirical generalizations, which address the issue of how to move from empirical observations to definitions of causality.

The problem is how to identify causal explanations without relying on interpretations--which for positivist will be a relapse into metaphysics which positivists are set out to avoid at any cost. The simple approach to this problem is to think of theoretical statements as hypothetical deductive postulations, that is logical constructions rather than real entities.<sup>25</sup> The question then is whether it is possible to sharply differentiate, as a logical distinction, between theory and observation which opens the avenue for a challenge from an alternative paradigm, constructivism, as noted below.

On the other hand, the question is whether positivism attempt to generate a social scientific model, separated from its theoretical foundations and universally applicable is a valid scientific undertaking. This social scientific method attempts to establish a sense of certainty and analytical precision in a world which is increasingly unpredictable, imprecise, showing a great degree of variability and volatility. Positivism begins with a linear and evolutionary concept of knowledge around which deterministic inferences and deductive conclusions based empirical foundations are organized.

These empirical foundations are not based on metaphysics but on a self-evident and yet normative distinction between value judgments and empirical judgments. It is also important to reiterate that positivism is based on a search for patterns of regularity and universalizable and reproducible results. There is a sense that social reality, as concrete totality, can be parceled out in distinct domains. Each domain can be studied as such, finding through specific specialized methods and means, recurrent patterns and regularities which can be studied with grand-theories (embedded, nevertheless, in meta-theories), middle-range theories, and empirical research as a third level of scientific practices, all of them clearly differentiated. Hence, as Joel Samoff suggests<sup>26</sup>,

positivism represents a scientific tendency which emphasizes disciplinary rather than interdisciplinary or trans-disciplinary work.

Positivism does not recognize the important of non-linear events or the profound discontinuities of real life phenomena. At the same time, the subjectivity and singularity of the researcher is disdained in function of a notion of social objectivity. The notions of science and ideology are defined not only as potentially antagonistic and irreconcilable practices, but also as practices which are clearly differentiable and discernible through the systematic application of the scientific method and certain ethical and epistemological precepts regarding the separation of value judgments and empirical judgments.

Following these epistemological presuppositions, planners schooled in positivistic social sciences argue that there is a fundamental social order underlying the dynamic of things themselves. This order is discernible through the methodical and rigorous application of a specific method of social science. This method must reflect the premises of all scientific methods according to the model of natural sciences; that is, a method based on foundationalism, objectivity, the search for control and manipulation of variables, experimentalism (or quasi-experimentalism), universality and rationality.<sup>27</sup>

This scientific method permits the discovery of regularities which can be measured and quantified, be applied in experimental or quasi-experimental analyses, be used to study correlations, causalities, or manipulated (controlled) in future analyses. The goal of social science is to develop a set or arguments which study causal relations, and when possible, these detected patterns or regularities can be applied like laws or empirical guidelines. These laws can be summed up in brief, concise, simple phrases and they can even be presented mathematically and used (previous empirical exam and proof subject to the falsifiability of the thesis) to manipulate and indeed plan the process of development of social reality. More complicated analyses trying to understand the historical nuanses of things, its interrelations, and the theoretical multidisciplinary analysis of numerous observations which may make the analysis problematic, tentative



or uncertain, are rejected as unnecessary. Or, if they are considered pertinent in theoretical terms, they are considered lacking for planning which is based on well-defined problems, with a sense of urgency and immediacy, and motivated not by theoretical reasons, but by actions which quickly and efficiently resolve specific problems.

Not surprisingly, then, economics appears as the model social science, particularly because the ideal types used by economists are central in contemporary social science. As Samoff has correctly pointed out, economics is considered as the social science which has the most practical and important consequences, given that economics manipulates money and financial power defines social welfare. It is not a coincidence that development is often understood as economic growth.

This discussion about the limitations of normal science, and the possibilities of an emerging theoretical paradigm is important because the next section will discuss the logic of the World Bank in education. The World Bank reflects the neoliberal perspective, plays a central role in the globalization of capitalism, and without doubt follows a set of positivist assumptions in the research and policy that it sponsors. It is an important institution in the depolitization and positivization of educational policy and its research agenda and its experts, and the experts for hire that they contract, systematically employ the methods of positivistic social science that have been described in this section.

## **The Logic of the World Bank: Neoliberalism in Education**

It is important to begin by defining the role of the World Bank, in the context of international capitalism, as a regulatory agency. This is important because as a bank, it is a lending agency, not an agency which offers donations. The distinction between a 'lending agency' and a 'donor agency' is not necessarily made in the literature about international development and cooperation agencies. Since its creation in 1962, the World Bank has been interested in promoting economic growth through capital investment. Educational investment is not the most important investment area of the Bank, especially in comparison with investment in infrastructure, for example.

A second aspect of the lending policy of the World Bank is that it is pro-active, not reactive. That is, quite often, the Bank initiates contacts with countries to design a specific loan--contacts which reflect the link between knowledge and expertise on one hand, and finance lending on the other. Both aspects are inseparable from the general financing premises of the Bank. Another element which must be taken into account, is that the business of banks is to loan capital and receive interest on the loan--interest which is usually, with few exceptions, a commercial interest. The difference between these loans and commercial bank loans are that they are guaranteed by countries. Furthermore, the work of the World Bank is closely tied with the International Monetary Fund; without the endorsement of the Fund it is not possible to enter into negotiations with the Bank. This is important because various economists have spoken about the "Washington Consensus" as one of the forces which imposes the logic of structural adjustment in the world. The Washington Consensus is composed of a group of financial institutions such as the International Monetary Fund, the World Bank, the Inter-American Development Bank, the Export-Import Bank, among others, all located in Washington (sometimes within blocks of each other, such as the World Bank and the Inter-American Development Bank), and all following--with few technical divergences--

the same logic and neoliberal economic policies which are part of the model of structural adjustment and stabilization.<sup>28</sup>

The analytical premises of the World Bank can be categorized under the label of supply-side economics. They are distinct from the radical, pragmatic, neo-structural school of ECLA--Economic Commission for Latin America--, or the adjustment with a human face promoted by UNICEF and the Society for International Development. To continue the discussion about the working premises of the Bank, economic conditionality is required by the World Bank, the International Monetary fund and the majority of institutions identified as the Washington consensus. Two elements radically condition the formulation of public policy: privatization and the reduction of public spending. These two policies are highly compatible, and in fact, privatization can be considered an important strategy for achieving reductions in public spending.

The privatization policies require additional explanation. These policies are crucial elements of the reforms oriented towards promoting markets and as such, they are important policy tool of neoliberalism. On one hand, the pressure of fiscal spending is reduced by the privatization of public sector enterprises. On the other, privatization is also a powerful instrument for depoliticizing the regulatory practices of the state in the area of public policy formation. That is, privatization plays a pivotal role in the neoconservative and neoliberal models because

“purchase of service contracting is both an administrative mechanism for addressing the particular issues of the social legitimacy of the state involved in direct social services and an attempt to borrow from the managerial ethos of private enterprise (and entrepreneurial development) systems of cost-benefit analysis and management by objectives.”<sup>29</sup>

Neoliberals and neoconservatives have argued that the state and the market are two social systems which are diametrically opposed and that both are considered as real options for providing specific services.<sup>30</sup> Why then does there seem to be a preference for the market over the state? Neoliberals and neoconservatives consider that markets

are more versatile and efficient than the bureaucratic structures of the state for numerous reasons. Markets respond more rapidly to technological changes and social demand than the state. Markets are seen as more efficient and cost-effective than the public sector in the provision of services. Finally, market competition will produce more accountability for social investments than bureaucratic policies.

Together with these policy preferences is the fact that neoliberal thinking ties the privatization of public enterprises to the solution of the external debt problem. After all, in certain versions of the neoliberal ideology in economics, state enterprises were "responsible for creating the Latin American external debt problem and, more importantly...their privatization may help resolve that problem".<sup>31</sup> It is important to point out that the process of privatization is not free from conflicts and contradictions. For example, Ramamurty suggests that, "it is by no means certain that substantial efficiency gains will be realized in the long run by privatizing large state owned enterprises with high market power".<sup>32</sup> A second source of conflict has to do with regulatory mechanisms: "Given Latin America's poor record of government regulation and the lack of established procedures and behind-the-scenes negotiations) it is difficult to be optimistic about the quality of regulation after privatization. Governments may renationalize some of these industries in the future, by choice or by necessity. Were that to happen, foreigners might have to be compensated for their investments at rates much higher than those received at the time of privatization, thus creating a potential large outflow in the future. Such conflicts could also damage relations with private investors, causing a recurrence of outward capital flight, at worst."<sup>33</sup>

A final comment about the philosophy of privatization is that many of its proponents postulate an anti-statist perspective rather than a perspective on privatization perspective. In other words, the question is whether they attempt to generate true competition in the market. Many of the models of privatization of state enterprises replace the monopoly of a state enterprise in a specific area with a similar monopoly by a private enterprises.

In terms of specific educational policies, the World Bank has promoted policies of the democratization of schooling, supporting the education of women and females (in the best of the liberal tradition), basic education and the quality of education. At the Jomtien Conference in Thailand, a number of international organizations, with the World Bank as the central architect supported by UNICEF, UNESCO and UNDP, devised the model of "Education for All".<sup>34</sup> However, it is important to question if it is possible for the World Bank, with its premises of educational expansion with improved educational quality, tries to influence the domestic alliances which, in the vision of the Bank, do not support equitable educational policies.

A similar concern is expressed by José Luis Coraggio when he points out that since the World Bank is primarily composed of economists and not educators, the final objective is economic efficiency, freeing markets and the globalization of capital--all of which lead to an overemphasis on quantitative methods of measuring the success of a policy. Using strictly economic criteria (for example, rates of return based on personal income), it is suggested that an additional year of primary education in the lower levels produces larger increments in income than at higher levels of the educational system. Thus, if it is concluded that investment in basic or primary education lead to better results in terms of increasing gross national product, the problem, suggested by Coraggio, is that the net increase in national product assumes that the principal resource of the country is a reservoir of flexible and 'cheap' yet qualified workers who can produce for exports good and services. The real increase in income will be made not by those productive workers but by the consumers of those good and services located in the industrialized world.<sup>35</sup> A similar concern has been expressed, which analyzes the premises postulated in the preparatory documents for the Jomtien Conference and the serious implications for higher education policies in Latin America.<sup>36</sup>

There is a strong political component in the World Bank. Its work began during the Cold War, and its directorate was dominated by representatives of the United States and subject, to a large extent, to the politics of American diplomacy. Historically, the

World Bank has reflected the threats (real or perceived) by the government of the United States on the part of its politically adversary ideologies and the wishes of the business community of the United States.<sup>37</sup>

Since its inception, the World Bank has given priority to specific educational policies, including, in a relatively chronological order, the construction of schools, support to secondary education, vocational and technical education, non-formal education, and more recently, basic education,<sup>38</sup> and educational quality (defined in terms of rates of return and performance indicators). Some of the indicators that the experts of the World Bank have designed to measure the quality of education include spending per student, instructional materials (textbooks), the length of the school year and of the school day, and the social class of the teacher.<sup>39</sup> The importance of the World Bank in promoting research and educational reforms of world-wide reach such as the Jontien's proposals, and the peculiar nature of external intervention masked under notions of external assistance and aid, need to be revisited from ethical, political, and pragmatic perspectives. The next section presents a synthetic assessment and relevant questions and queries.

### **Is it Possible to Think of Practical Alternatives to Neoliberal Interventions?**

The complexity of many of the dimensions involved in the interaction between neoliberal international organizations, neoliberal governments, and local communities in the Third World should invite us to consider a multifarious set of questions. What follows is a checking list which may prove useful for a democratic conversation.

**\* Is the Transnationalization of Knowledge a Problem for Third World Countries? Revisiting the Financial-Intellectual Complex.**

Joel Samoff, one of the most astute and informed critics of neoliberal educational policies, has defined the World Bank as a leading component of a financial-intellectual

complex, which pursues the transnationalization of knowledge and expertise using a community of experts for hire, in a process where there is a strong confluence of research and educational financing. This financial-intellectual complex has a pivotal role in the world-wide network of power and decision-making in education. Given its position in research and financing, the work and experts of the World Bank influence the international discourse. The Bank commissions long-term research and influences the selection and legitimation of research topics (for example, educational quality and textbooks), the operational definition of the variables, the dominant terminology (for example, school wastage or students' drop out' which is an attempt to shift the blame onto the individual rather than thinking that many students are 'pushed out' of the system), and the analytical proposals and hypotheses which are considered useful and reasonable for investment and educational development.<sup>40</sup>

**\* Are Huge Salary Differentials A Problem for Democratic Accountability?**

One central aspect of the functioning of the World Bank, and presumably of the majority of international financial organizations, is the overwhelming cynicism which makes moral and ethical questions occupy a secondary place when the high salaries international and local experts are at stake. For example, the rumor in Mozambique was that while the average annual salary of a worker in the country was \$80 in 1991, some local consultants to the World Bank were charging up to \$8,000 monthly for their services. This rumor about how much a local consultant to the World Bank earns could be incorrect. Still, whatever analysis of costs and salaries would show the consultants of international organizations receive salaries totally incommensurate with the salary scales in developing countries. Faces with these economic determinants, moral and ethical questions can give rise to cynicism as a mechanism for dealing with reality, remembering Hegel when he argued that all that is real is rational.

**\* Do Mainstream Theories Play a Neo-Colonial Role?**

Another central element is to think about the acceptable theories about educational planning, for example, Human Capital Theory. One of the questions which has preoccupied researchers is if in reality neoliberal organisms such as the World Bank reflect, in their research the results of empirical evidence or of the theoretical and operational preferences of the organization. David Plank suggests that the theoretical preferences of the Bank lead it to the following: 1) increasing investment in primary education and primary health care, based on the argument that the rates of return for primary education exceed those of other levels of education; 2) administrative decentralization, with the understanding that the locally-administered programs are more cost-effective than centralized ones; 3) investment in general education instead of investing in vocational education, based on empirical evidence that general education is more productive in the long-run; 4) recuperation of investment costs and efficiency in the management of resources. Plank concludes that these four principles appear to enjoy a life of their own, independent of the empirical evidence on which they are ostensibly based.<sup>41</sup>

If this were the case, then the instrumental reasoning of the World Bank, and of most if not all international financial organizations, would be playing a neo-colonial role. This is especially true when educational policies are directed not as much towards improving the use value of the work force, as they are towards improving the exchange value. Stabilization policies, fiscal conditionalities, and the drive toward export oriented policies appear as policy preferences which are relatively homogeneously applied worldwide without virtually no concern for context-bound conditions. They appear as legitimate measures in the context of the internationalization and globalization of capitalism, and particularly, as totally compatible with notions of normal science and planning.

**\* Is Positivism Fault-Proof?**



The presence of a strong positivistic component in the social sciences which guides the planning of this type of regulating institution of capitalism means that the logic which predominate is the logic of instrumental rationality. In this model, the means are determined by pre-established ends and policy recommendations which respond to the play of forces in a country, region, or specific municipality or which take into account the historical and structural transformations of the past, are ignored-- that is context-bound conditions and the histories that created those conditions and local specificities are by and large ignored.

Samoff, among others, points to the different options, given that positivism is the predominant scientific paradigm in educational planning.<sup>42</sup> Numerous analyses of education can be carried out without necessarily relying on positivism, including feminism, postmodernism, critical theory, cultural studies, or Marxism. It is important to humbly accept the limitations of knowledge in historical-social sciences and the partial and conditional character of 'discoveries'. It is necessary to reject notions of knowledge which are built on a growing accumulation of facts and to strive for a perception of the world characterized by discontinuities and small results with gradual consequences. After all the transformations of knowledge in humanities and social sciences reflect the historicity of the subjects. Another disputable aspect is the notion of ownership of knowledge which results from research being commissioned and subsidized by organizations (national and international) who retain control over the results. Undoubtedly there are methodological options, such as participatory research or action-research-action which offer a practical alternative to positivism, and are particularly useful to enhance the degree of participation of the 'studied' populations in policy and planning. Numerous research projects based on dialectical perspectives and on methodological pluralism are options very different from the methodological monism of positivism. Finally, it is important to accept and protect criticism in academia as a way of confronting the authoritarianism of certain positivist perspectives.

### **\* Is Constructivism an Epistemological and Ethical Alternative to Positivism?**

The polar opposite to positivism is a constructivist model of social science, which reflects a strong alternative vision in which reality appears as a product of discontinuities and unpredictable effects. Learners in the view of constructivists actively participate in learning, a notion that applies to the most elementary forms of learning and the most advanced forms of research. Viewing all knowledge and learning as a social activity does not necessarily mean, as some postmodernists argue, that we cannot potentially represent reality; but it does imply that we must acknowledge the diversity of perspectives involved in the formation of a community and a community of inquirers and teachers in particular. Abandoning the “quest for certainty” does not require abandoning the search for knowledge.

Methodological pluralism follows from a constructivist conception of scientific knowledge. This does not mean so much that “any thing goes” as that we must acknowledge that there are diverse logics-in-use that make up inquiry. Accordingly, the key issue for policy research is the development of coherent research designs that link theory and research techniques appropriate to the questions asked and problems to be solved.

A third premise, in stark contrast with positivism, is that knowledge cannot be separate from meaning and value, hence education is necessarily a moral enterprise. But in a culturally diverse society, this does not imply an absolute moral code, as opposed to procedural principles for guiding ethical thinking and action. In the context of education, caring, justice and individual responsibility are central principles of moral action that should complement each other.

As feminist theorists have reminded us, the nurturing principle of caring is at the heart of all learning as an interactive process that must respect the dignity of others. In the context of male-dominated culture, an ethics of caring can only emerge through a feminist approach providing the foundations for change. Feminist scholars have argued that the male experience is overwhelmingly reflected in education, and more generally

in public policy. We need to take very seriously the culture of 'otherness,' specifically women's culture and the cultures of minorities in schools, broadening the perspectives of citizenship education to include responsible and mutually respectful behavior in the domestic unit, the family, and in interpersonal relationships in society at large. Further, principles of social justice provide rational grounds for justifying criticism of social relations that undermine caring and the equitable fulfillment of human needs. Lastly, a notion of individual responsibility is central for the constitution of morality and ethics in education.

Learning is also an interactive process that should be organized around dialogical principles. Though not necessarily undermining the importance of intellectual authority and leadership, dialogical principles as predicated by John Dewey and Paulo Freire, among others, do pose the question of the education of the educators and researchers and the need for reflexivity about what is to be taught, and what are the social uses of research.

Finally, constructivists recognized that research and education are socially and historically situated activities in institutions that are constrained and enabled by the power relations in the society around them. For this reason, an understanding of the role of expert knowledge, research, and education should be considered from a the political sociology of education, paying attention to the relationships of the ideals and valued embodied in researchers and research practices that seek to inform and guide educational policies.

#### **\* Can Third World Governments Avoid The World Bank and Similar International Organizations?**

Many educational policy-makers confronting the philosophy of privatization, seen this as a panacea for adjusting education to the market. Is it preferable or even possible to avoid interactions with the World Bank? In circumstances in which an educational reforms of great magnitude are being considered, the World Bank, as a

pro-active institution, always seems to arrive and offer its services, its analytical models and its loans. This is true even in the case of a socialist political party such as the Workers' Party, or PT, in Brazil. In 1990, the PT won the municipal elections in São Paulo and between 1990-1992, it developed an innovative educational policy directed by the radical educator, Paulo Freire. The World Bank sent a mission to São Paulo to convince Freire to accept financing from the Bank to carry out his projects of curriculum reform and teacher training.<sup>43</sup> Freire, in a personal conversation, confided that he felt indignation about the Bank's suggestions and during a meeting he suggested that the mission return to the United States and when they were in a position to solve the problems of education in the United States, they could return and speak with him about the situation in São Paulo. After this meeting, Freire explicitly communicated to the mayor of São Paulo that he would resign from his position if the World Bank's loan was accepted. Freire remained in his position and during the administration of the PT in São Paulo, no World Bank loan was negotiated.

Obviously, the questions of whether World Bank loans should be accepted or if governments should deal with the World Bank in regards to educational issues cannot be responded to in abstract. Still, there are crucial questions which must be incorporated into the analysis of the neoliberal policies proposed by the Bank. The first is related to the topic of democracy and accountability; that is, who responds to a government democratically elected and how countries should relate to international experts whose legitimacy is not determined through elections nor is there any allegiance to the countries involved. This issue is central and it must continually be reiterated in the discussions about accountability. Some of the ideas of Herbert Marcuse from 1970s are useful to this critique; such as the fetishism of technology, the unidimensionalization and positivism (positivización) of politics, and what he referred to as the negative reason via the depolitization of reason.

### **\* How About the Legality of International Lending?**

There are different levels of legality regarding the acquiring of resources for educational investment, depending on the administrative level (federal, state, municipal) that is being dealt with. In reality, all loans which are obtained through negotiations with international organizations are guaranteed by the country, and thus, policies (and loans) may be negotiated by one government while another government is held accountable for repaying it. This is extremely dangerous, especially when the same problematic arises within the international organizations; the experts of the World Bank are not accountable to countries but to the organizations which they represent. They are not even accountable in the sense that their research results do not seem to be the most important factor in the planning process--the possibility that the Board of Directors of the World Bank signs the loan is the overriding factor. Evaluation of the impact of the loan, whether its goals have been reached, of the cost-effectiveness of the project, and of the implementation by the national responsible party are not extremely relevant once the loans have been guaranteed by the country, approved by the World Bank, and signed by the country.

### **\*Is Risk-Sharing Lending an Alternative?**

It is increasingly necessary to think about a new international order which includes alternatives for dealing with agreements between countries and international institutions like the World Bank. One alternative would be the sharing of risks associated with investment, subject to the evaluation of a third independent party of the rationality ex-ante and ex-post factum of a loan, its results and the working of the technical and operational teams of the World Bank and the national executing agency. Another alternative would be to create a pool of resources from the interest paid on loans which could be reinvested in multi-lateral organizations which would pressure increase loans for investment in social projects with interest rates which are substantially lower than market rates. The interest on loans given to these projects would not be paid to the World Bank, but returned to countries for reinvestment in social programs to fight poverty and possible health epidemics (for example AIDS, cholera, bubonic plague) which are facing many countries as they move towards the 21st century. A final element would be to stress lending in areas with extremely low economic rates of return (e.g. poverty fighting programs) but extremely high social rates of return in terms of preventing political instability, child survival, women needs, etc.

### **\* Educational Planning: Can Local Think Tanks increase Local Control?**

Another question involves thinking of planning mechanisms for education which do not necessarily follow positivistic logic and which are theoretical solid. This idea would be based on national organizations or Think Tanks which could design alternative models of educational research and policy-making, with democratic control at the local level (municipal, state, national/federal) and with technical competency and independence--aspects which are certainly more easily found in the more highly-developed countries in the regions than in poor countries. Salaries for these researchers and policy-makers would be competitive with local, regional and international ones.

This model would create new horizons which would be different from those prescribed by the neoliberal international organizations.

It is necessary that these Think Tanks have a permanent location, independent endowments, and that they create new mechanisms of implementation and democratic control of projects. They must also have the technical capability (in terms of technical quality and also international management) and the political possibilities to dialogue and negotiate with a wide range of institutions (including technical teams from international institutions such as the World Bank). Without a group of highly-trained professionals who are relatively independent, well-paid, and with new ideas which go beyond positivistic thought, it is impossible to imagine and design alternatives to the neoliberal models which are beginning to show, especially in their practical application, the weaknesses of their theoretical formulations. In closing, we should look at the moral imperatives and ethical challenges in external assistance.

### **External Assistance, Moral Imperatives and Ethical Challenges. Conclusion**

I am aware that the challenges outlined here pertain to the overall interaction between external assistance and local knowledge/control of policy. In that regard, these are generic challenges to external interventions which apply, *pari pasu*, to the social role of research per se. However, because democratic politics are built on participation and representation, the nature, style, aim, and impact of external intervention in research, policy, planning, financing, or aid will determine the nature and operation of educational systems and perhaps even the destiny of the democratic discourse and the democratic conversation.

### **Challenge One: The gaze of the Anthropologist and the authenticity of local communities. Dilemmas of External Assistance.**

Anthropologists have asked themselves why to study cultures they don't belong to, what are the ethics implied in this study, who will benefit from the study, and how can an external source of knowledge understand internal sources of knowledge. Then, the tensions in the gaze of the Anthropologist are first, whether he or she should be looking at the authenticity of local communities, and second, whether his or her gaze may penetrate the patina of reality and in fact reach out and understand that local knowledge. In other words, can the anthropologist know the authenticity of the community, preserving both the ethics of the profession and the ethics of the community, and in trying to know this community can the authenticity of the community be preserved? On parallel lines, these questions should be asked to people involved in external assistance, adding, perhaps, whether they have ever confronted the ethical dilemmas of the Anthropologists, and whether they are prepared to consider the gaze of the anthropologist and the authenticity of the local community as part of their own expert work in the context of the globalization of capitalism.

### **Challenge Two: Science as Power.**

If we take a perspective on science close to Foucault's view, science will be part and parcel of disciplinary forms of power. Its strategic aim is to increase social productivity and utility. The attempt to "remake and reconceptualize the world on the model of laboratory microworlds is neither a fully coherent project deliberately imposed from above nor an irresistible force that cannot be countered from below by those it affects."<sup>44</sup> Thus a dialectical view of science as power sees science, power, and resistance as naturally interlinked, and invites researchers to take ethical positions, and to consider two-ways relationships (e.g. external assistance/research and local communities), three-ways relationships (external assistance/research, local communities, bureaucratic legal domination) and the degree of contradictions and



ethics involved in each interaction. Who profits, who pays, who benefit from science as power should be perennial questions for people and institutions involved in external assistance.

### **Challenge Three: The epistemology of feminism and the constitution of the other.**

Does 'the other' exist per se, independent of 'us' or is socially constructed? If the notion of 'the other' is socially constructed, to what extent the ability of constructing 'the other' rest on notions of generalization and universality which are deeply marked by a men's perspective. Constructivism has struggled for long time to deal with the implications of constructing the other, and the epistemological criticisms of Feminism to notions of universality should invite researchers to be extremely cautious, and, particularly, all-inclusive in looking at pedagogical discourses, needs-assessment, and particularly the simplistic distinctions of who are 'we' and 'the other'. The constructivist perspective, outlined above, has been struggling with this issue for long time, and is able to offer a legacy of understanding and ways of seeing which are very compelling when compared to positivism.

### **Challenge Four: Freedom is still to be conquered.**

Freire's contribution to understand education as the act of freedom is an invitation to see the interminable dialectics in the struggle to free ourselves and to free others from constraints to freedom. In itself, the struggle for liberation is another form of intervention which can be considered as part of the ethics of intervention. Certainly, education as the act of freedom implies a different perspective on local, socially constructed and generationally transmitted knowledge. It also implies a perspective that challenges normal science and non-participatory planning, and implies to construct a theoretical and methodological perspective that is always suspicious of any scientific relationship as concealing relationships of domination. At the same time, while freedom

is still to be conquered, freedom can be conquered because unequal, exploitative relationships are built by human beings and can be changed by human beings.

In short, these four challenges, which are by no means exhaustive of all the moral challenges in social research, show that research always moves between moral imperatives, ethical choices, and immoral realities. Researchers cannot avoid this fact, although we can deceive ourselves by adopting a cynical perspective and thinking that we only propose technical solutions while others should take the difficult political and ethical decisions. It is not that easy.

## Endnotes

<sup>1</sup> David Held, Political Theory and the Modern State. Stanford: Stanford University Press, 1989, page 12.

<sup>2</sup> David Held, op.cit. pages 11-55; David Held (editor), Political Theory Today. Stanford: Stanford University Press, 1991; Heinz Rudolf Sonntag and Héctor Valecillos, El estado en el capitalismo contemporáneo. México, Siglo XX Editores, 1977; David Held et al (editors) , States and Societies. Oxford: Martin Robinson in association with The Open University, 1983; Andrew Vincent, Theories of the State. Oxford: Basil Blackwell, 1987.

<sup>3</sup> Carlos Alberto Torres, "The Capitalist State and Public Policy Formation: A Framework for a Political Sociology of Educational Policy-Making. The British Journal of Sociology of Education, 10 (1), 1989, pages 81-102.

<sup>4</sup> Martin Carnoy, The State and Political Theory. Princeton, NJ: Princeton University Press, 1984, pages 131-140.

<sup>5</sup> Carlos Alberto Torres "La Universidad Latinoamericana: De la Reforma de 1918 al Ajuste Estructural de los 1990". En Torres, C.; Follari, R.; Albornoz, M.; Duluc, S.; Petrucci, L., Curriculum Universitario Siglo XXI. Facultad de Ciencias de la Educación, Universidad Nacional de Entre Rios, Paraná, Entre Rios, July 1994, pages 13-54.

<sup>6</sup> The notion of dependent capitalism defines the type of state which prevails in dependent capitalist societies. Martin Carnoy discusses the differences between the dependent state and the advanced capitalist state in The State and Political Theory, op. cit, Chapter 9. For a discussion of theories of the state in the Latin American context (including empirical and historical analysis), see Carlos A. Torres and Daniel Morales-Gómez, The State, Corporatist Politics, and Educational Policymaking in Mexico. New York: Praeger, 1990. An analysis of the state in capitalist systems and states in social transition can be found in the work of Martin Carnoy and Joel Samoff, with M.A. Burris, A. Johnston, and C. A. Torres, Education and Social Transition in the Third

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<sup>7</sup> Harold R. Wilensky, The Welfare State and Equality: Structural and Ideological Roots of Public Expenditures. Berkeley and Los Angeles: University of California Press, 1975; Harold L. Wilensky, The New Corporatism: Centralization and the Welfare State. Beverly Hills: SAGE, 1976; Thomas Popkewitz, A Political Sociology of Educational Reform: Power/Knowledge in Teaching, Teachers' Education and Research. New York and London: Teachers' College, Columbia University, 1991.

<sup>8</sup> Adriana Puiggrós, Democracia autoritarismo en la pedagogía argentina y latinoamericana. Buenos Aires: Galerna, 1986; Adriana Puiggrós, Sujetos, disciplina y curriculum en los orígenes del sistema educativo argentino. Buenos Aires: Galerna, 1990; Adriana Puiggrós, et al, Escuela, democracia y order (1916-1943). Buenos Aires: Galerna, 1992.

<sup>9</sup> It is useful to point out that the notions of neoconservativism and neoliberalism have been identified by Michael Apple as two factions of the same movement of the right. See Michael Apple, Official Knowledge: Democratic Education in a Conservative Age. New York and London: Routledge, 1993. The position of Apple and some of the differences between the two ideologies have been discussed in Carlos Alberto Torres, "The State and Education: Or Why Educational Researchers Should Think Politically About Education", Review of Research in Education, Michael Apple, Editor, 21, American Educational Research Association, Washington, D. C., 1995.

<sup>10</sup> Larissa Lomnitz and Ana Melnick, Chile's Middle Class: A Struggle for Survival in the Face of Neoliberalism, Boulder and London: Lynne Rienner Publishers, 1991, pages 9-47.

<sup>11</sup> Cited in Joel Samoff, "More, Less, None? Human Resource Development: Responses to Economic Constraint", Palo Alto, CA, June 1990, mimeographed, page 21.

<sup>12</sup> Sergio Bitar, "Neo-Conservativism versus Neo-Structuralism in Latin America",

CEPAL Review, 34, 1988, page 45.

<sup>13</sup> Daniel Schugurensky, "Global Economic Restructuring and University Change: The Case of Universidad de Buenos Aires." Doctoral Dissertation, University of Alberta, Edmonton, Alberta, Canada, August 30, 1994.

<sup>14</sup> Claus Offe, Disorganized Capitalism, ed. John Keane, London: Hutchinson, 1985.

<sup>15</sup> Fredric Jameson, Postmodernism or the Cultural Logic of Late Capitalism, Durham, NC: Duke University Press, 1991.

<sup>16</sup> I discuss, in detail, the implications of the transformation of the post-Fordist model for education in Carlos Alberto Torres, "The State and Education Revisited: Or Why Educational Researchers Should Think Politically about Education", AERA Annual Review of Educational Research.

<sup>17</sup>Michael Williams and Geert Reuten, "After the Rectifying Revolution: The Contradictions of the Mixed Economy", Capital and Class, 49, Spring 1993, page 82.

<sup>18</sup> David Harvey, The Condition of Postmodernity, Cambridge: Oxford and USA:Blackwell, 1989.

<sup>19</sup> Martin Carnoy, et al, the New Global Economy in the Information Age: Reflections on Our Changing World, University Park, PA: Pennsylvania State University Press, 1993.

<sup>20</sup> See "Your New Global Workforce", Fortune, December 14, 1992, pages 52-66.

<sup>21</sup> Several political scientists have analyzed these changes. For example, Adam Przeworski, Democracy and the Market: Political and Economic Reforms in Eastern Europe and Latin America, New York: Cambridge University Press, 1991; Ken'ichi Omai, The Borderless World: Power and Strategy in the Interlinked World Economy, New York: Harper Business, 1990; Robert B. Reich, The Work of Nations, New York, Vintage Books, 1991; Lester Thurow, Head to Head: The Coming Economic Battle Among Japan, Europe, and America, New York: William Morrow, 1992.

<sup>22</sup>Robert B. Reich, The Work of Nations, New York, Vintage Books, 1991.

<sup>23</sup>Two texts are important for an analysis and criticism of the positivistic model as a hard science. Immanuel Wallerstein, Unthinking Social Science: the Limits of Nineteenth Century Paradigms, Cambridge: Polity Press, 1991; Raymond Allen Morrow with D. D. Brown, Critical Theory and Methodology, Thousand Oaks, New Delhi, and London: SAGE, 1994.

<sup>24</sup> Eric Bredo and Walter Feinberg, (editors) Knowledge and Values in Social and Educational Research, Philadelphia, Temple University Press, 1982, page 16.

<sup>25</sup> Bredo and Feinberg, Op. Cit. p. 21

<sup>26</sup> Joel Samoff, "More, Less, None", Op.Cit.

<sup>27</sup> Maureen Silos, "Economics Education and the Politics of Knowledge in the Caribbean" Los Angeles, CA: University of California-Los Angeles, draft dissertation proposal, manuscript, 1995.

<sup>28</sup> Atilio Alberto Boron, Estado, Capitalismo y Democracia en América Latina, Buenos Aires: Ediciones Amago Mundi, 1991; Luis Carlos Bresser Pereira, "La crisis de América Latin ¿Consenso de Washington o crisis fiscal?", Pensamiento Iberoamericano, No. 19, 1991; José Maria Fanelli, Roberto Frenkel and Guillermo Rozenwurcel, "Growth and Structural Reform in Latin America: Where we Stand", Buenos Aires: documento CEDES 67, 1990.

<sup>29</sup> Ian Culpitt, Welfare and Citizenship. Beyond the Crisis of the Welfare State? London, Newbury Park and New Delhi, Sage Publications, 1992: 94.

<sup>30</sup> Michael Moran and Maurice Wright, The Market and the State: Studies in Interdependence, New York: St. Martin's Press, 1991.

<sup>31</sup> Ravi Ramamurti, "Privatization and the Latin American Debt Problem", in Robert Grosse (Ed.), Private Sector Solutions to the Latin American Debt Problem, New Burnswick and London: Transaction Publisher, North-South Center and the University of Miami, 1991, page 153.

<sup>32</sup> Idem, page 168.

<sup>33</sup> Idem, page 169.

<sup>34</sup> Daniel Morales-Gómez and Carlos Alberto Torres, "Education for All: Prospects and Implications for Latin America in the 1990s" in Carlos Alberto Torres (editor) Education and Social Change in Latin America. Melbourne, James Nicholas Publisher, 1994.

<sup>35</sup> José Luis Coraggio, "Human Capital: the World Bank's Approach to Education in Latin America", in J. Cavanagh, D. Wysham and M. Arruda (editors), Beyond Bretton Woods: Alternatives to the Global Economic Order, London: Institute for Policy Studies and Transnational Institute and Pluto Press, 1994, page 168.

<sup>36</sup> See Carlos Alberto Torres, "A Critical Review of Education for All (EFA) Background Documents", Perspectives on Education for All, Ottawa, IDRC-MR295e, April 1991, pages 1-20; Daniel Morales-Gómez and Carlos Alberto Torres, "Education for All: Prospects and Implications for Latin America in the 1990s", Carlos Alberto Torres (editor) Education and Social Change in Latin America. Melbourne, James Nicholas Publisher, 1994. A similar analysis is found in Fernando Reimers, "Education for All in Latin America in the XXI Century and the Challenges of External Indebtedness", in Carlos Alberto Torres (editor) Education and Social Change in Latin America. Melbourne, James Nicholas Publisher, 1994.

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<sup>38</sup> The World Bank was the main participant in the conference on Education for All, held in March, 1990 in Jomtien, Thailand and co-sponsored by UNICEF, UNESCO, and UNDP.

<sup>39</sup> Bruce Fuller, Raising School Quality in Developing Countries: What Investments Boost Learning, Washington, D. C.: The World Bank, 1986, page 21.

<sup>40</sup> Joel Samoff, "From Lighting a Torch on Kilimanjaro to Surviving in a Shantytown: Education and Financial Crisis in Tanzania", case study presented to the UNESCO-

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<sup>41</sup> David Plank, "Three Reports from the World Bank", Pittsburgh, PA, manuscript, 1991.

<sup>42</sup> See, for example, Joel Samoff, "Chaos and Uncertainty in Development", paper prepared for the XV World Congress of the International Political Science Association, Buenos Aires, Argentina, July 21-25, 1991; "Triumphalism, Tarzan and Other Influences: Teaching About Africa in the 1990s", Palo Alto, manuscript, 1993. There are many examples of informed criticisms of the positivistic model of educational planning. See Rolland Paulston, "Mapping Paradigms and Theories in Comparative Education", paper presented to the Comparative and International Education Society Annual Meeting, Annapolis, MD, March 1992; Hans N. Weiler, "Why Reforms Fail: The Politics of Education in France and the Federal Republic of Germany", Journal of Curriculum Studies, 21, 1989, pages 291-305. For a postmodern analysis with educational references, see Henry Giroux and Peter McLaren, "America 2000 and the Politics of Erasure: Democracy and Cultural Difference Under Siege", International Journal of Educational Reform, 1, 2, 1992, 99-100.

<sup>43</sup> For a description and analysis of the overall policy experience, see Carlos Alberto Torres, "Paulo Freire as Secretary of Education in the Municipality of São Paulo", Comparative Education Review, 38 (2), May 1994, pages 181-214. See also Pilar O'Cadiz, Pia Linqvist Wong and Carlos Alberto Torres, Education and Democracy. Paulo Freire, Social Movements, and Educational Reform in São Paulo. Bolder, Colorado, Westview Press, 1998.

<sup>44</sup> Joseph Rouse, Knowledge and Power. Toward a Political Philosophy of Science. Ithaca and London, Cornell University Press, 1987, page 244.