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### **'The World Bank, the IMF and the Possibilities of Critical Education'**

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## Introduction

The error that Vico criticized as the “conceit of scholars” who will have it that “what they know is as old as the world” – consists in taking a form of thought derived from a particular phase of history (and thus from a particular structure of social relations) and assuming it to be universally valid (Cox, 1981: 131).

In those times when the world seems to be at a turning point, when the accustomed framework of life seems to be upset, there arises a demand for new knowledge that will better enable people to understand the changes going on in them. The assumptions upon which prevailing forms of knowledge were based are challenged. A different set of problems thus has to be confronted (Cox, 2002: 76).

## Re-examining the Parameters for Doing Critical Education Policy Work

The invitation to write this chapter has provided us with an opportunity to reflect upon our own approach to what it means to be ‘critical’ when doing education policy work at this particular historical conjunction. First and foremost, our approach has been informed by the work of Robert Cox which was first developed within the discipline of International Relations first published in 1981. Cox’s framing of the premises of a critical theory approach, as well as his contrast between critical theory and problem solving, has proven particularly useful over the years. Cox emphasizes the importance of standing aside from the prevailing order and asking how that order came about; of calling into question the nature and origins of institutions and their social relations, and how they might change (p. 88-89), and of the importance of reviewing old and generating new categories with which to understand changes in social relations.

In an innovative move, Cox contrasts critical theory with what he calls problem-solving theory – arguing that “problem-solving theory takes the world as it finds it, with the prevailing social and power relationships and the institutions into which it is organised, as the given framework for action” (p. 88). Problem-solving theories are oriented toward the maintenance of the status quo; they are ahistorical in that they assume a continuing present; and they aim to make institutions work more smoothly by fixing limits and parameters on problems. However, critical theory premises insist we see theorising as a continuing process in which there are no fixed positions. As he argues: “Two principal factors shape theory. One is the objective movement of history, which is continually throwing up new combinations of social forces that interact with one another. The other is the subjective perceptions of those who contemplate social forces with a view to understanding and acting upon a movement of history” (Cox, 2002: 26). And, as we show below, processes of globalisation profoundly challenge the mental frameworks that we have used to make sense of education policy problems, both objectively and subjectively.

The contrast with problem solving tells us what is critical; it shows us what makes theory critical and why it is so important to make that distinction. This has enabled us to advance an approach to education policy analysis that has moved beyond what we called an ‘education politics’ agenda to one that saw the agendas for education being shaped by wider economic and political concerns (see Dale, 1994).

However, we will also be emphasising, and attempting to follow, what is probably the least remarked element of Cox's definition of critical theory, that it is necessarily reflexive, as theories do not stand outside of time, space and social relations. It follows, then, that we must reflect upon, challenge and reconstruct our theoretical tools if they are to do 'critical' work. This is especially important when we consider that it is more than 25 years since Cox first published the article that contained the distinction—and it is scarcely necessary here to spell out the changes that have taken place in education policy since then, particularly as a result of globalisation. A precondition of effective critical work in the area is to recognise and theorise the nature of these changes and their consequences for education policy.

With these thoughts in mind, this chapter sets out to do three things. First, we will argue that in order to do 'critical' work in contemporary education policy studies our conceptual and methodological premises in this field need to engage with the ontological and epistemological challenges posed by the wider social, political and economic transformations for education systems. This is necessary because of a tendency to take forms of thought derived from a particular phase of history—in this case, we would suggest, the *trente glorieuses* from 1945–75—and assume them to be still valid. This results in the construction of what we refer to as theoretical and methodological 'isms'—the tendency to take particular theoretical and methodological approaches as fixed, absolute, necessary and sufficient. Here, we will focus on three such isms, 'methodological nationalism', 'methodological educationism' and 'spatial fetishism'. In other words, we need to get beyond framings and analysis of education policymaking that continue to assume education to be a national enterprise taking place within what have historically called the 'education sector'.

We will argue that these approaches are inadequate to capture the new complexities of education policy, where new actors, scales, actors and projects are being strategically represented, advanced, mediated and institutionalised, and which involve significant transformations in the education sector. This is not to suggest that education policy analysts have failed to engage with understanding such developments. However our point is that when new scales of policymaking and action are invoked—as in the 'global'—there is often a weak conception of agency, and when agents are identified (typically in the form of a reference such as 'OECD/IMF/World Bank'), these agents' interests, agendas and effects are assumed to be known *a priori* and not systemically investigated further. This limits in important ways our understanding of the nature, scale and scope of the kinds of changes taking place and the focus of this paper.

Second, and consequential to the challenges posed by globalisation, there is an urgent need to revisit our conceptualisation of doing 'critical theory'. In the chapter we will do this in two ways. We will, first, return to and review what it means to adopt a critical theory perspective; and, second, reflect upon what purchase this approach gives us on contemporary developments in education. Specifically, we will be suggesting that education policy analysts (including ourselves) have tended to view 'critical' as the critique of the existing social and political order in order to transform that order. The implicit assumption here, however, is that this is the position and preserve of the 'left', while the 'right' are relegated to the space of 'problem solvers' in order to preserve the status quo (as formulated above).

However, this would be to forget the first point made in Cox's (1981) statement—that 'Theory is always for someone and for some purpose' (p. 128). This has two implications. The first is that we cannot automatically assume that 'critical' and 'left' are necessarily and intrinsically linked, and the second is that identifying the provenance and interests behind critical theories is itself a key element of critical theory. In terms of the first of these, we should recognise that many of the theories on which the international agencies base their policies conform fully to Cox's recommendations for critical theory; and in terms of the second, it is in the 'for whom' and 'for what purposes' that we find the political differences between critical theories. The purposes are fairly plain. They are the construction of as liberal a set of policies and practices as possible, through the elimination of 'unnecessary' barriers to them, such as state 'interference', in order to enable the optimum development of capitalist markets which will (it is argued) bring greater prosperity to everyone. The way that they are translated into policy also shows that critical theory is not necessarily to be linked with problem solving—indeed, as we shall argue below, 'problem solving' itself is very much a creature of the era in which it was coined.

So, far from problem-solving, we will show that what particular international agencies, such as the International Monetary Fund (IMF) and the World Bank (WB), are advancing is a radical (critical?) agenda for transforming education systems in the developed and the developing economies in order to promote and produce a social and political order very different from the prevailing order. Viewed in this way, 'critical' education in the field of education policy can and is being done by the 'left' and 'right', by critical educators working with subaltern movements such as the World Social Forum and the IMF/WB!

This clearly presents important challenges to 'critical' educators wanting to ensure that the purposes of critical theory is not aligned with projects that do not have an explicit concern with more equitable distribution of resources, the effects of asymmetries of power on participation in society, for models of economy that feed off exploitation and the appropriation of surplus value, and so on. In the concluding section of the chapter we suggest that in order to overcome this problem, a 'left' critical theory needs to be more explicit about its normative project. With this in mind, we explore what possibilities there are in the social justice framework being advanced Nancy Fraser – of embracing redistribution, recognition and representation politics and ethics in our approach to what it means to use a critical theory perspective—as one starting point in responding to the challenge.

## **Moves and Challenges**

### **Move 1: Reflecting Upon Critical Theory**

What does it mean to adopt a critical theory perspective in education policy analysis? Critical theory is derived from one of the major endeavours of 17<sup>th</sup> Century Europe - of the use of critique and criticism as a form of critical reasoning (Connerton, 1976: 16; Therborn, 1996: 55). Critique is a product of the Enlightenment. As a process, it is intended to subject to its judgement all spheres of life accessible to reason – in the form of oppositional thinking -- and was central to Marx and Engel's dialectical approach. As Therborn notes, Marxism was "...the theory of this dialectic of modernity as well as its practice" (1996: 54). It saw the emancipatory potential as well as the exploitative

dimensions of the modernity/capitalism model of development. It was thus a manifestation of modernity in both a sociological and a theoretical sense. As a social force, it was a “...legitimate offspring of modern capitalism and enlightenment culture” (Therborn, 1996: 53). However, whilst Liberalism and Enlightenment rationalising represented the affirmation of modernity (raising no critical questions of science, accumulation, growth and development), Marx’s theory charted the rise of capitalism, focusing on the progressive stages of the historical development of capitalism, including its contradictions, as well as pointing to class exploitation and crisis tendencies within capitalism.

Critical Theory (later to be known as the product and approach of the Frankfurt School) was launched in 1937 by Max Horkheimer - writing in exile in the United States. This School drew upon Marx’s work, but also diverged in important ways – with a focus on superstructure not just infrastructure; in its recognition of the power of ideology – particularly through the media, social psychology and art; of the rise of instrumental reason and technical efficiency and its potential to be self undermining; and on the development of a theory of politics that prioritised dialogue and reason as a new basis for social life (Connerton, 1974: 22-32).

For Horkheimer the meaning of the term was a philosophically self-conscious, reflexive conception of the “dialectical critique of political economy” (Therborn, 1996: 56), however the concept ‘critical theory’ replaced the word ‘materialism’. This linguistic move by Horkheimer has had important consequences for critical theory more generally, for by de-linking it from a more explicit connection to materialism, it has also made less visible the way it under-girds critical theory, a point that will return to in the final section of the paper.

In addition to oppositional (dialectical) thinking, the Frankfurt School was indebted to two *new* meanings of critique – reconstruction and criticism. The first, *reconstruction*, refers to the conditions of possible knowledge - that is, on the potential abilities of human beings possessing the faculties of knowing, speaking and acting. Critique in this sense has its roots in Kant (2004). In the *Critique of Pure Reason*, Kant set out to answer the question: what are the conditions of our knowledge through which modern natural science is possible, and how far does this knowledge extend (Connerton, 1976: 17)? Kant (2004) began with the fact that social realities are a profusion of senses and impressions yet we tend to perceive the world as a world of ordered things. It is our faculties that produce this order, so that things are ‘constituted’ by us in the sense that we can only ‘know’ through certain *a priori* forms or categories which are embedded in the human subject. A critical theory approach, by interrogating these categories to see how knowing is constituted, enables us to see more clearly the link between categories for ordering knowing, and what comes to be known.

The second sense of critique, *criticism*, refers to reflections on the system of constraints which are humanly produced—as in the distorting pressures that arise from social relations, such as the relationship between the capitalist and the worker. Critique in this sense has its roots in Hegel’s *Phenomenology of the Mind* (1966). Hegel developed the concept of ‘reflection’ as the basis of liberation from coercive illusions – for instance where the worker comes to see the real basis of the relationship between themselves and the owner of the means of production. Hegel’s analysis of the relationship between the Master and the Slave is instructive here. Through reflection/criticism, the Slave comes

to view his/her situation, and it is his/her theory about the conditions which in turn entails a change in his/her practice.

From this brief introduction, we can see that there are important differences between the two additional moments of critical theory (Connerton, 1974: 19-20). First, reconstruction tries to understand anonymous systems of rules which can be followed by any subject, provided s/he has the requisite competences. Criticism is bought to bear on something particular; it examines the shaping of an identity or the identity of a group. Second, reconstruction is based on the data which are considered to be objective (like sentences, actions), while criticism is bought to bear on the objects of experience so that through criticism, distortions are made evident and liberation is made possible (emancipation). Third, reconstruction explains what is considered to be 'correct' knowledge; that is, the knowledge that we need to operate the rules competently, while criticism aims at changing or removing the conditions of what is considered to be false.

Equally important is the insistence that the only unchangeable basic thesis of critical theory is that critical theory is itself changeable. It follows, then that "...through an analysis of the historical conditions which inform its own categories, it seeks to adapt those categories anew to historical reality" (Connerton, 1976: 22).

Robert Cox's (1981) approach to critical theory which has informed our own work draws upon this tradition of critical theory, the basic premises of which are:

- An awareness that action is never absolutely free but takes place within a framework for action that constitutes its problematic.
- A realization that not only action but also theory is shaped by the problematic.
- The framework for action changes over time and the principal goal of critical theory is to understand these changes.
- The framework has the form of a historical structure, a particular combination of thought patterns, material conditions, and human institutions which has coherence among its elements. These structures do not determine people's actions in any mechanical sense but constitute the context of habits, pressures, expectations, and constraints within which action takes place.
- The framework or structure within which action takes place is to be viewed, not from the top in terms of the requisites for its equilibrium or reproduction...but rather from the bottom or from outside in terms of the conflicts which arise within it and open the possibility for transformation (Cox, 1981: 97).

The innovation in Cox's (1981: 129) approach is to introduce the idea of problem solving as a contrast with critical theory. As we have already noted, problem-solving theory is viewed by Cox as tending toward conservatism in that it is oriented toward the maintenance of the status quo rather than generating change. Most importantly, problem solving theories also view theories, categories and frameworks for action in universal and ahistorical terms, thereby occluding the way in which power and interests shape how we come to know and view the world. In the following sections we respond to the issues raised concerning the status of the critical in education policy analysis beginning with the challenges posed by processes of globalisation and a series of responding moves.

## Challenge 1: Globalisation's Challenges to 'Critical' Education Policy Frameworks

Important aspects of education policymaking and processes are taking place within, as well as beyond, national borders, and that policy itself is produced or mediated by an expanding array of actors, not just the state, who are operating across multiple scales. It is increasingly evident that some of the key actors involved in making and shaping policy on education operate well outside of the traditional education system. In other words, there is an evident shift away from a predominantly national education system to a more fragmented, multi-scalar and multi-sectoral distribution of activity that now involves new players, new ways of thinking about knowledge production and distribution, and new challenges in terms of ensuring the distribution of opportunities for access and social mobility (Dale and Robertson, 2007).

These kinds of shifts require not only a rather different kind of analysis, but a set of concepts that are able to grasp hold of the more dispersed, fragmented activity that constitutes education and is the object of education policy. However, much education policy tends to be shaped by what we refer to as 'isms' – that is the tendency to see categories as natural, fixed, necessary and sufficient—or in other words as ontologically and epistemologically ossified. In the area of education policy analysis, three 'isms' are prominent: 'methodological nationalism', 'methodological educationism' and 'spatial fetishism' (see Dale and Robertson, 2007; Robertson and Dale, 2008).

*Methodological nationalism* assumes that the *nation state* is the container of *society*, so that the object of education policy analysis entails examining the policies produced and circulated by the nation state (see Dale, 2005; Beck, 2002; Beck and Znaider, 2006). However, methodological nationalism is misleading in at least five ways. First, it assumes that policy is 'done' (specified, planned, processed, implemented) at, by and in the interests of the national level. In order for this to be possible, it assumes the coincidence of sovereignty and territory. It assumes a 'world' made up of nation states, an interstate system, with extra national transactions confined to the inter-national—exchanges between states.

This system reinforces the salience of the national level, as the national becomes the basis of collection of statistics, which in turn encourages inter-national comparison as the main way of analysing differences between forms of, purposes of and approaches to, education—and this is non-coincidentally linked to the problem framing role of international organisations. The emphasis on comparison between nations further contributes to a more restricted range of means of understanding. Finally, it assumes that all nation-states are 'the same', at least for comparisons of analysis, so that both 'national' and 'state' conceal huge differences in social relations, both between and within the designated entities.

*Methodological educationism* refers to the tendency to equate education with the formal education sector, particularly schooling, with the result that policy problems, programmes and practices tend to be those within the formal system. It comprises, is based on, works through and delivers to, an education sector, which is seen as exclusive, though usually taken for granted and unspecified in terms of its boundaries (which are, however, assumed to be national). What is ignored here are the wider range of actors involved in education policymaking, including departments of trade, finance and industry, private firms, non-governmental organisations, as well as households and communities. This more privileged focus upon, and equation of education with, schooling, tends to isolate schooling as a (professional) activity. Second, it takes for

granted that education is a good thing, that more of it is better, and that the purpose of policy is to make it (serve) better. It also sees schooling through particular policy lenses; these have changed from a ‘redistributive’ lens, extending the benefits of the worker citizen (cf. Robertson, 2007); a recognition lens, recognising and fostering individual difference and identity; and (prospectively/critically?) a ‘civil actor’ lens, based on representation-based social justice conceptions.

Finally, *spatial fetishism* refers to, on the one hand, the tendency in education policy analysis to reify and naturalize processes, as in ‘globalisation does’ or ‘the local is’, and on the other, to continue to be locked into an unchanging (ahistorical/atemporal) state-centric epistemological frameworks for which states are relatively fixed, self enclosed geographical entities (Lefebvre, 1974; Harvey, 1982, 2006). Where the spatial is invoked, we do not have a sense of spatiality as a process; rather it is often a backdrop or static platform for social relations and upon which events take place (Brenner, 2003: 29). Where there are breaks with state centrism, as in the idea that the state is contracting or dissolving (as in the diminished state thesis), this sidesteps the crucially important task of analyzing the ongoing re-territorialization and rescaling of political-economic relations under contemporary capitalism and how education is being reconstituted within that. What is needed in a critical education policy approach is a conceptualization of social space that is dialectical and processual so that it is able to reflect the continual, constantly changing social relations of capitalism and its consequences for education. Such an approach must be attuned to the possibilities of transformations taking place within established political economic geographies, including within the national state space, and the role of the national state as site, medium and agent of contemporary globalisation (Jayasuryia, 2001; Sassen, 2007). In other words, a critical education policy analysis needs to take into account how the geographies of state space are being transformed at various geographical scales.

In view of the reflections above, one way we might review and reinvigorate the critical dimension in education policy is to conceptualise the changing nature, scope and sites involved in the work of education of an emerging ‘functional and scalar division of the labour of education’ (Dale, 2003). This conception is essentially intended to both reveal and move beyond the assumptions of education policy analysis as it had been inherited from the post war period, which, as we have suggested, has perpetuated the series of ‘isms’ we sketched out above. Thus, education policy analysis tends to assume the homogeneity of ‘education’ as schooling, brought about through the exclusivity of the national as the basis for bounding both the education sector and the activities it contains, and the entities with which it might be compared or to which it might relate (the assumed universality of the national scale leading to inter-national, rather than inter-scalar, and ‘horizontal’ rather than ‘vertical’, relations). The idea of a functional and scalar division of the labour of education is also intended to indicate the need for, and to provide a means of, going beyond yet another ism that has tended to dog education policy analysis (including our own), methodological statism, which involves, in a nutshell, the assumption that ‘the state does it all’, certainly as far as education policy is concerned (see Dale 2008a).

The basis of these assumptions was undermined by the rise of neo-liberal globalisation that became dominant after the fall of the Berlin Wall. This had two particularly relevant consequences for the isms. First, it essentially spelled the end of ‘national’ economies; the drivers of economic activity had moved to the transnational level, with the increasing dominance of transnational capital and companies and an international division of labor,

and with production increasingly carried out in low wage, 'peripheral' countries, rather than in the countries of the West. This simultaneously removed the basis of national economies, transformed the basis of their wealth production, disrupted labour markets and moved the control of economies to the transnational rather than national level. The other consequence was the forms through which neo-liberal globalisation installed itself. Rather than seeking merely to minimise the role of the state, as in classical liberalism, neo-liberalism worked through the state, in what Stephen Gill (2003) calls 'the constitutionalization of the neo-liberal'.

This means in essence that states are no longer (only) barriers to free trade, but can become part of an infrastructure that promotes it, and in which it can flourish. This is brought about not so much by changing the activities of the state as by changing the ways that what are to count as state activities, and their purposes, are determined. What this entails has been summed up as the shift from government to governance, and its major consequence for our argument here is that the *governance* of education, rather than its content or purposes, becomes the key to how it operates and to its priorities. This then undermines all the *isms*, and not just statism. Clearly, the national level, territorially defined, can no longer be taken for granted as the only important source of education policy making, both because of the increasing prominence of the extra-national, and because one major effect of neo-liberalism has been the separation of the automatic link between territory and sovereignty (the best example of this, of course, is the European Union - EU). Education can no longer be taken as a homogeneous whole whose homogeneity and sectoral integrity rests on a national base. Instead, we see divisions of labour of education both within and across scales. At a national level, the governance of education now includes a significant presence of agents and stakeholders other than the state, with many of these distinctions being made according to function—funding, provision of services, and so on. Functions may also be allocated across scales, which is perhaps the most significant of the changes for education policy. As we go on to show, international agencies like the IMF and World Bank, along with the OECD, effectively set agendas for key elements of education. They also (and here again the EU is the best example) may involve education in processes of 'resectoralisation', with some 'traditional' functions of education being separated out into new sectors (in the EU we find, for instance, education involved in both 'knowledge sector' and a social policy sector' (see Dale 2008b; Brine 2006).

It is important to recognise that this is not a formal or static process, but to a degree contingent on existing arrangements. It works through particular mediating structures - for example, the World Bank's Knowledge Assessment Methodology (Robertson, 2007), the Open Method of Coordination guiding European level governance (Dale, 2004), the progressing of the Bologna Process (Keeling, 2006; Dale 2008b), and the OECD's PISA indicators. The basis of the division of labour is the place(s) of education in the circuit of capital, with production-related activities more likely to be determined at the transnational level of the economy, and infrastructural/embedding activities carried out at the national scale.

## **Move 2: Bringing the IMF/World Bank and Education Policy into View by Challenging *Isms***

So far we have been arguing that in our approach to education policy analysis we need to be attentive to the transformations that are taking place in the reconstitution of

education through a recalibration of our theoretical lenses. In this section we ground this claim by focusing upon the IMF and World Bank as two related international agencies that are continuing to not only shape education agendas in the developing and developed economies but who are seeking to reconstitute education as part of the wider services sector within a global knowledge economy framework. In doing so, we are not suggesting there is no critical scholarship in this area. Karen Mundy's (1998) work is exemplary here. She draws upon the work of critical theory scholars to examine the evolution of educational multilateralism since 1945 over three phases: an initial period of institutionalisation (1945-65), a period of contestation (1966-late 70s) and an ongoing period of transition shaped by neo-liberalism. Our point here is to not only reveal the ambition and extent of the project under way, but to present a second important challenge to critical theory being canvassed in this paper by asking why isn't/shouldn't the IMF/World Bank's radical and strategic political agenda for global governance be considered as a form of critical theory?

To some analysts, the IMF/World Bank's turn away from a harsh Washington Consensus – and its embrace of the good governance agenda (World Bank, 1989) through 'adjustment with a human face' (Cornia et al, 1987), represented a victory for social movements and non-governmental organisations who were able to focus attention on the devastating effects of structural adjustment policies (Leftwich, 1993), particularly in the social policy arenas like education. The Bank turned to what were claimed as more participatory initiatives, such as the Comprehensive Development Framework, Poverty Reduction Strategy Papers and with joint programmes such as the Heavily Indebted Poor Countries (HIPC).

While some pundits have viewed this 'about-turn' as representing "...the emasculation" of the IMF and World Bank (Woods, 2007: 5), we beg to differ. The Post-Washington Consensus period which ensued did not represent a complete break from the Washington Consensus. The overall logic of structural adjustment remained largely unchanged with macro-economic policies (market liberalisation, export oriented free markets, the removal of trade barriers and tariffs) all paramount (cf. Robertson et al, 2007 for an extended analysis). As Mundy also notes:

The Bank's recent educational prescriptions, in line with its renewed interest in poverty alleviation, echo the marriage of populist and modernisation arguments forced in the 1970 World Bank discourse: education enhances individual productivity and overall economic growth, and it ensures political stability through greater equality (1998: 474).

For Mundy, the IMF/World Bank agenda had much of the same ring as of old. While to some extent we support this view, we also agree with Cammack (2003) who argues that "...something new and significant is happening at the level of global regulation" and that "...the two institutions are seeking to define and exercise a relatively autonomous role, promoting and sustaining a framework for global capitalism" (p. 39). Cammack's interprets the evidence as suggesting that recent joint activity of the IMF/WB reflects a project for the institutionalisation and management of global capitalism, and that this has arisen out of a recognition that a "...genuinely global capitalist system generates contradictions that cannot be addressed at the national level alone, even by the most powerful states" (p. 39)

From the beginning of the 1990s and following the turn to a post-Washington consensus, the World Bank's efforts to alleviate poverty were premised on the adoption of policies that would extend the scope of the world market and the global reach of capitalism. Later policies, such as *Investing in Health* (1993), *Workers in an Integrated World* (1995), *Knowledge For Development* (1989/99) and *Attacking Poverty* (2000/2001), all amounted to a comprehensive programme to put into place a set of policies infused with the disciplines and class logic of capitalism as if they were inspired by benevolence. The IMF has played a key role here, in that it uses conditionalities in a selective and strategic way to strengthen the institutions of capitalism globally (Cammack, 2003: 54).

While the policies outlined above have been directed toward refashioning the economic and social policy sectors in low and middle income countries, the IMF/WB has also been very active in promoting policies that constitute education as a new services sector and market. In 2002, the Bank, together with the OECD, hosted a major conference on education and the General Agreement in Trade in Services (Robertson, Bonal and Dale, 2002). This was followed in 2003 with a major policy initiative *Lifelong Learning for the Global Knowledge Economy* where the Bank argued that the access and quality agendas of the Millennium Development Goals (MDG) should be met through the development of public-private partnerships, and opening up education to for-profit firms (see also Tooley, 2003). These processes of commodification of education represent a significant erosion of education as constituting a public good and public sector.

Similarly, the World Bank's Knowledge for Development (K4D) programme has sought to advance a particularly imaginary of economic development that sees investment in education as the basis for growth and for the realisation of a so called knowledge-based economy. In order to facilitate the implementation of the model and incorporate economies from around the world into this project, the Bank has developed a Knowledge Assessment Methodology (KAM) (see Robertson, 2008), and declared itself the mid-wife of this process (Chen and Dahlman, 2005). The KAM is made up of a complex set of indicators around four pillars: (a) the implementation of a digital technology infrastructure; (b) an education regime where there are significant investments in education – particularly science and technology; (c) an economic regime that reflects free-market and progressive liberalisation principles; and (d) an innovation systems regime that is directed toward developing institutions for intellectual property. IMF/WB's territorial interest extends well beyond the developing world. The KAM provides indicator and relational data on countries around the world (from Finland to the USA, Turkey to Tanzania) and should be viewed as a strategically selective tool that advances the interests of western centred capitalism. It is also a tool for putting into place the ideological and institutional means to enable the developed economies, to generate new value from knowledge services globally (Robertson, 2008: 19).

## **Challenge 2: Is the IMF/World Bank and Knowledge Economy Policy 'Critical Theory' or 'Problem Solving'?**

If our analysis is correct, and that what is occurring at the global level is that the IMF/WBs project is directed at the institutionalisation and management of a western-centred architecture for global capitalism, then this seems to us to be an obvious case of Cox's critical theory rather than problem solving.

Viewed in this light, the case of problem solving theory is both interesting and revealing for it now seems rather more a reflection of the time when it was introduced than does critical theory. It might be seen to assume an era when ‘policy’ was the dominant means of ‘steering’, by the state, of addressing the problems of education systems that were assumed to be national; the state taxed, spent and ‘policied’, and it based its policies on ‘solutions’ provided mostly, at the time, by academics, or government departments that commissioned research from academics, typically in a distinctly ‘problem-solving frame’ (for an extended critique of this approach and its consequences in the UK, see Dale, 1994). Moreover, it presumes that class interests are necessarily oriented to stability, order and the state-quo as we see with this claim: “Problem solving theories can be represented, in the broader perspective of critical theory, as serving particular national, sectional and class interests which are comfortable within the given order” (Cox, 1981: 129).

Now, while elements of that approach remain, the nature of the problems to be addressed, the scales at which they are addressed and the agents involved in addressing these have all changed – as we have shown with the case of the IMF and World Bank. This may not be immediately apparent, since the terminology used to describe what is occurring is often unchanged—but its meaning is radically altered. As Gavin Smith puts it, “...a whole series of key concepts for the understanding of society derive their power from appearing to be just what they always were and derive their instrumentality from taking on quite different forms” (Smith, 2006: 628). This applies powerfully in this case.

For instance, the state is still present as a key actor, but it is a very different state space from that of a quarter of a century ago. It no longer operates in/on/through the same spaces as it did when it steered by taxing, spending and ‘policing’, but it acts through new forms and techniques of governance that include both a wider agenda for the governance of education (e.g., privatisation, fees) and, especially, new, non-state actors. Problems are still to be solved, but they are no longer homogeneous in form as they were in the post war era when there was broad agreement at a national level on the goals of education. One important way of construing our central argument in this chapter is that while states may still be involved in problem solving in education, they are not necessarily involved in either the definition of all the problems to be addressed, or solely responsible for ‘solving’ all of them. For these reasons, then, ‘problem solving’ can no longer be seen as ‘the other’ of critical theory, and just as it helped so much to define critical theory in the original formulation, so a new formulation of the other of critical theory may help us move forward here.

### **Move 3: Revisiting Problem-Solving and Critical Theory – By Way of Conclusion**

There are two related moves we now want to make here. One concerns the reformulation of problem-solving theory to reflect a particular kind of theory-making/constituting of the world and the ‘other’ of critical theory. The second move is to argue, briefly, that critical theory needs to emphasise both its interests in the material conditions of social life, and to develop a more explicit normative dimension.

The new ‘other’ of critical theory, we suggest, may be not problem *solving* theory, but problem *framing* theory. By this we mean that in a neo-liberal age, rather than taking the world as it finds it, the other of critical theory takes the world as it *constructs* it. Under neo-liberalism, the world is no longer ruled by states, or at state level but rather also

through global actors such as the IMF/World Bank, WTO and OECD. The problems that national states face, and their means of addressing them, are both framed by representative institutions of neo-liberalism. Thus, the way we see the prescriptions and advice of international organisations is not so much as *problem solving contributions*, but as *problem defining and framing interventions*. Essentially, it is through these agencies that states learn what their problems ‘really’ are. The best example of this is the Knowledge Based Economy (KBE) (or the variants on it; the precise formulation matters much less than the general lack of content and precision of the term, and its asserted applicability to the whole world). The problem for all states is to make their education systems contribute to their most effective participation in the global KBE. Problem solving is thus apparently retained at a national level, but as we shall see, that becomes increasingly less based in fact, at the same time as the appearance of national autonomy serves to conceal the real sources of problems and power.

This enables us to redefine somewhat the focus and task of critical theory. Formerly, it was contrasted with a problem solving theory that took the world as it found it, and its main purpose was seen as making problematic what problem that solving theory took for granted, or consigned to a *ceteris paribus* clause. However, in an era where its opposite is problem *shaping* theory, that *constructs* the world in particular ways, its problematic is similarly transformed, at two levels. It has both to examine and seek to reveal the play of power at the problem shaping stage, and to examine the means of governance—and especially the role of the state in this—through which these problems are addressed and their ‘solutions’ shaped. We have pointed to the activities of the World Bank and IMF as examples of the former. The latter involves identifying both the ways that neo-liberalism has been ‘constitutionalised’ (Gill, 2003; Jayasuryia, 2001), and the discourses and mediating structures through which solutions are shaped and implemented, together with the autonomous and contingent effects of these (see Dale 2008b). We might see this shift as reflecting a change in the role of states from structural to strategic selectivity, with structural selectivity now seen much more clearly as taking place at the level of the capitalist system itself.

Second, a critical theory perspective needs to be continually vigilant in making clear ‘for whom’ and ‘for what purposes’ it is working. It also needs to be more articulate and explicit about its own purposes, not in the sense of ‘seeing’ more clearly objects, events and social relations (reconstruction) but to see that the point of criticism is to reveal the social relations in order to change them. In other words, critical theory needs to link more firmly back to its historical materialist roots. As Nancy Fraser argued in her essay on critical theory in 1985, in this case in relation to gender:

A critical social theory frames its research program and its conceptual framework with an eye to the aims and activities of those oppositional social movements with which it has a partisan though not uncritical identification. The question it asks and the models it designs are informed by that identification and interest. For, for example, if struggles contesting the subordination of women figured among the most significant of a given age, then a critical social theory for that time would aim, among other things, to shed light on the character and bases of such subordination. It would employ categories and explanatory models which revealed rather than occluded relations of male dominance and female subordination. And it would demystify as ideological rival approaches which obfuscated and rationalised those

relations. In this situation, then one of the standards for assessing a critical theory, once it has been subjected to all the usual tests of empirical adequacy, would be: How well does it theorise the situation and prospects of the feminist movement? To what extent does it serve the self-clarification of the struggles and wishes of contemporary women?

This requires an understanding of what 'ought' to be; of what might be the basis for an alternative framework for action. In saying this we are aware of more than two decades of debate about the problem of meta-narratives, and we do not wish to re/instate old injustices. We do however believe that there is considerable mileage in thinking through frameworks for social justice, such as that advanced by Nancy Fraser (2005), in bringing together redistribution, recognition and representation politics, as the underpinnings for a more socially-just order. By redistribution Fraser is referring to institutionalised mechanisms to ensure that the material conditions of life tied to production and the boundaries around social reproduction (housework, sexuality, reproduction), are shaped by principles informed by a socialist imaginary - of egalitarianism and solidarism (p. 298); by recognition, the mechanisms through which differences are recognised and positively (as opposed to negatively through status and hierarchies); and by representation, Fraser means making evident the sites and mechanisms for political claims-making arising from the changing scales and state-territorial framings from globalising and transnationalising developments (p. 304-5). And, while she argues that developing such a three-dimensional politics is not easy, it is an important critical move.

Likewise, we conclude by arguing that processes of globalisation, the rescaling of education and emerging spaces of governing, require not only a new conceptual approaches but that this is a necessary step in order to advance and enable a socially transformative agenda for critical education policy analysis.

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