Globalization and the Changing Nature of the OECD’s Educational Work

Fazal Rizvi and Bob Lingard

Introduction

In recent years, intergovernmental organizations (IGOs) have become highly influential in shaping educational policy at the national level. They have played a prominent role in charting the policy agendas of nation-states; in turn national governments have looked to IGOs to construct their strategies for developing, legitimating, and implementing programs of educational reform. Developing countries have of course always been subject to the dictates of IGOs, such as the World Bank and other lending bodies, through mechanisms of accountability attached to loans and aid, such as the structural adjustment schemes. But more recently, governments of developed countries too have ceded some of their autonomy in public policy development to IGOs. For example, the Bologna Process, supported by the European Union (EU), has compelled national policymakers to restructure their systems of higher education to ensure a fairer and more efficient system of credit transfer, enabling students to become more mobile across national systems, something which is considered highly desirable for the global economy. As Martens et al. (2004) have pointed out, IGOs have become increasingly important in national policymaking in education by developing new governance mechanisms involving policy and program coordination, opinion formation, and the development of other instruments of both legal requirements and financial support.

Among the intergovernmental organizations affecting educational policy development, the OECD plays a pre-eminent and distinctive role, especially in the developing countries, but increasingly in the rest of the world as well. More and more, the OECD has developed alliances with other intergovernmental organizations such as UNESCO, EU, and the World Bank not only to explore the contours of policy options in education, but also actively to promote its policy preferences. The case of the OECD is interesting because it neither has the legal instruments at hand nor financial means at its disposal actively to promote policymaking at the national level; yet over the past decade its influence over its member countries and others has increased markedly. Through its Indicators in Education project, through the Programme for International Student Assessment (PISA), and through its thematic policy reviews, its educational agenda has become an important reference point for assessment of policy initiatives and programme effectiveness at the national level, while also contributing to the constitution of a global policy space in education (Lingard, Rawolle, and Taylor 2005).

In this chapter we explore some of the reasons for the increasing international influence of the OECD in education; and suggest that a part of the explanation lies in the way the OECD has utilized the ideology of globalization, speaking consistently of ‘the imperatives of globalization’ and of the need to reformulate educational purposes and governance in line with the requirements of the global
economy. From its very beginning, the OECD has had to negotiate a central tension at the heart of its educational policy work between the economic and cultural ends of education, between the promotion of social equity on the one hand and social efficiency on the other. We will argue that over the past decade or so, the OECD agenda in education has increasingly become tilted towards social efficiency, as it has promoted a particular ideological view of educational aims linked to the requirements of a global knowledge economy and a range of ideas about educational governance derived from the new theories of public management, which increasingly promote corporatized and privatized administration of education, outcome measures, and knowledge as commodity.

The OECD

As an intergovernmental organization affecting the seeming convergence of education policy thinking around the world (see Rizvi 2005), the OECD occupies an important place. Its educational policy work is widely used by national governments to guide their reform agendas. Its statistical compilations provide a reference point for benchmarking and for promoting policy debates. Governments look to the OECD to define policy options; and are increasingly prepared to fall in line behind its recommendations. This has not always been the case. The OECD has traditionally viewed itself as a unique forum, which enables the governments of the industrialized economies to examine and formulate their own distinctive policies in both economic and social spheres. However, its outreach and impact are now greater than this, through its work with 'non-member economies' and its contribution to global policy discourse in education. Its Directorate for Education, for example, has a Unit for Co-operation with Non-member Economies (NME), the terminology used by the OECD to refer to non-member countries.

The OECD has variously and simultaneously been described as: a think-tank, a geographic entity, an organizational structure, a policymaking forum, a network of policymakers, researchers, and consultants, and a sphere of influence (Henry et al. 2000: 1). In formal terms, the OECD describes itself as: 'a club of like-minded countries. It is rich, in that OECD countries produce two thirds of the world's goods and services, but it is not an exclusive club. Essentially, membership is limited only by a country's commitment to a market economy and a pluralistic democracy' (OECD 1997).

Established in 1961 out of the Organization for European Economic Cooperation (OEEC) funded under the Marshall Plan for the economic reconstruction of Europe, the OECD has remained essentially a US-backed initiative, with the United States still contributing 25 per cent of the Organization's budget. This is not to say the relationship between the US and the OECD's European members has always been an easy one. Indeed, the European countries have always sought to 'tone down' the dominant US versions of market liberalism, with their own distinctive social democratic agendas. The US interventions in key appointments and in the formulation of work plans have also been resisted from time to time. For example, in relation to education, it was largely at the insistence of the US and against considerable internal opposition that the controversial project on educational indicators was initiated in the mid-1980s (Henry et al. 2000: Ch. 4). Perhaps, then, Haas's description (1990: 159) of the founding of the OECD as 'a rather incoherent compromise between the United States and the European members' retains salience, as does his observation that most international organizations have their own superpower 'capable of playing a hegemonic role if it chose to do so' (p. 57).

It should be noted however that the OECD's capacity to contain its members is limited, because unlike many other international agencies, the OECD has no prescriptive mandate over its member countries. Rather, it operates through a process of 'consensus building' and through 'peer pressure'. It is proud of its 'traditions of transparency: of providing explanations and justifications for policy, and of engaging in critical self-appraisal' (OECD 1998: 102). As Martens et al. (2004: 15) point out, the OECD does not have any legally binding mandate over its members; nor does it have the financial resources at its disposal to encourage policy adoption. It thus seeks to exert influence through processes of 'mutual examination by governments,
multilateral surveillance and peer pressure to con­
form or reform'. Structurally, this is done through
an elaborate system of directorates, committees,
and boards, at the apex of which is a Council
comprising representatives from each member
country, normally at ambassadorial or ministerial
levels. In this way, the OECD asserts its agenda in
rather informal ways though the processes of
opinion formation and coordination, in a manner
that is dynamic and constantly shifting.

Over the past decade or so, however, its proud
record as a debating forum has seemingly been
undermined by the triumph of neo-liberal precepts
of economic activity. As we have already noted,
within the OECD there has always been a tension
between support for US-style market capitalism
with a minimal welfare state and the stronger Eur­
opean social-market model framed by social-demo­
cratic ideology. The OECD encouraged debates
between Keynesian thinking and views critical of its
assumptions. In more recent years, however, this
debate, once conducted in philosophical terms,
seems to have vanished, replaced by a more tech­
nocratic discourse concerning the ways neo-liberal
policies of free trade and competition are best pro­
moted. Ideological debates have thus been replaced
with technical questions of how to promote trade
and monitor neo-liberal reforms in the entire range
of the OECD's policy concerns from
industrial
relations and infrastructure to immigration and
education. It thus appears to be the case that, while
some ideological tensions remain, the framework of
much of the OECD's policy work has shifted
decidedly towards the US neo-liberal model.

The OECD's Educational Work

Nowhere is the shift in the recent OECD's policy
orientation more evident than in the growing
importance it now attaches to education. Such is its
emphasis on the knowledge economy in the new
century that, in 2002, the OECD established a sep­
parate Directorate for Education, something it had
resisted for most of its history (Papadopoulos 1994).
In establishing the Directorate, the secretary-general
of the OECD stressed that 'education is a priority for
OECD Member countries and the OECD is playing
an increasingly important role in this field. Society's
most important investment is in the education of
its people.' He noted in particular how the interna­tionally comparable statistics and indicators
underpin much of the work of the OECD, and that
the ultimate outputs of its policy recommendations
are designed to increase both the quality and equity
of education systems. He went on to list equity in
access and outcomes, quality, choice, public and
private financing, and individual and social returns
to investment in learning as major areas of concern
for the OECD. In presenting the OECD's educa­
tional work in such terms, he appeared to commit
the Organization to a neo-liberal instrumentalist
conception of education, viewed as a major factor
in contributing to human capital formation and
economic growth.

Of course, this should hardly be surprising, since
the OECD is after all an organization concerned
primarily with economic policy; and in so far as it
has an interest in education, this must clearly be
linked to its overall economic objectives. This is in
line with the OECD's original charter in which there
was no independent structural location for educa­
tion within the Organization, though there was
always an 'inferred role' (Papadopoulos 1994: 11),
deriving from early human capital formulations
of links between economic productivity and educa­
tional investment, then somewhat narrowly
conceived in terms of boosting scientific and tech­
nological personnel capacity and, by extension, of
improved and expanded science and mathematics
education in schools. Hence, initially education­
related activities were carried out under the rubric of
the Office for Scientific and Technical Personnel,
which in turn grew out of the former OEEC's pivotal
work in mapping the technological gap between
Europe and North America, against the broader
backdrop of geopolitical issues relating to the Cold
War (Papadopoulos 1994).

It was not until 1968 that the Centre for Research
and Innovation (CERI) was established within the
OECD, partly as a result of a growing recognition
within the Organization of the 'qualitative' aspects
of economic growth 'as an instrument for creating
better conditions of life' and, along with that, of a
more comprehensive view of education's multiple
purposes. By 1970, then, the Organization had
come to the realization that 'the full range of objectives of education had to be taken into account if the educational activities of the Organization were to make their rightful contribution to economic policy' (Papadopoulos 1994: 64). According to Papadopoulos (p. 122), this marked the triumph of a more comprehensive, less economistic, view of education policy within the OECD, enabling the Organization to attach equal, if not more, importance to education's social and cultural purposes.

This was clearly evident in the educational work the OECD pursued, organized under four programmes: two of them emerging from the Education Committee and the CERI Governing Board, with the other two being the more specialist programmes of Educational Buildings (PEB) and Institutional Management in Higher Education (IMHE). An illustrative list of the projects sponsored by the OECD during the 1970s and 1980s suggests a much more than simple relationship between education and economic development. Included in this list are reports and analyses of: school pedagogy and curriculum; the use of school buildings; educational disadvantage and advantage; multicultural education; girls and education; linguistic diversity; alternative education; school improvement and effectiveness; early childhood education; links between school and work; school-community relations; youth employment; youth at risk; people with disabilities; teacher education; educational and performance indicators; the economics of education; educational policy; educational technology; educational planning; educational management; mass higher education; vocational education and training; recurrent education and lifelong learning; adult literacy.

Two further points should be made about these programmes. First, they were largely supportive of national agendas, brought to the OECD by the member countries. They pointed to an organizational politics characterized essentially by consensual processes of decision-making in which nation-states retained a great deal of power in defining the ways they wished to use the resources of the OECD. The OECD responded to national priorities and did not wish its own perspective imposed upon them. Second, these programmes indicated the OECD to be a broad ideological church respectful of the diversity of ideological positions. According to Papadopoulos (1994) to view the OECD as a homogeneous unit with a narrow, static agenda was to fail to capture its educational reach, the contestations within its various forums and the ideological layers that underpin its charter aimed at both economic and social development.

However, this is not to deny the existence of deep ideological tensions within the Organization. Any analysis of the debates until the mid-1990s both within the OECD's committees and its secretariat reveals an ideological cleavage between social-democratic and neo-liberal policy stances. The ideological divide still tends to be referred to within OECD parlance as 'European' versus 'Anglo-Saxon', though these descriptors hardly convey (nor were they really meant to convey) the variegations within these two camps. While much of the internal politics remains cloistered, given the Organization's essentially consensual decision-making and extenuated report-writing processes, this analysis also shows—from the Organization's publications, its programmes of work, and their historical accounts—how the discourses of social and economic concerns have been rearticulated over time.

Papadopoulos (1994) traces the ideological tensions between social efficiency and equity in the OECD's educational work from its foundation. Until the late 1980s and early 1990s, it demonstrates the dominance of the social justice agendas until the economic transitions which occurred following the OECD oil crisis of the mid-1970s. By the 1980s, while the tensions remained, education was now conceived as a central element of economic policy. Since that time with greater policy awareness granted to globalization and the knowledge economy, we would argue that the social efficiency perspective has begun to dominate the educational work of the OECD. This is manifest in support for a human capital account of education, new forms of educational governance and a global space of comparative educational performance. Equity remains on the agenda, but has been rearticulated away from a strong definition of social justice towards social capital and social inclusion concerns. Concerns about social class correlations with educational performance are less evident in
this rearticulated equity agenda, with more emphasis given to special needs education, gender and ethnicity. In what follows, we attempt to show this ideological ascendency of a particular view of education linked to a neo-liberal conception of globalization and the educational requirements of the global economy and of the knowledge economy.

Imperatives of Globalization: the OECD’s perspective

In recent years, the OECD has made considerable use of the idea of globalization in both redefining its programme of policy work and reconceptualizing its relationship to member countries. It has sought not only to examine but also to prescribe the manner in which its members should respond to the pressures of globalization, as well as take advantage of the opportunities the emerging global economy has created for them. It has suggested that:

OECD has evolved greatly in the globalising world economy. It has been ‘globalising’ itself, notably through new Members and dialogue activities … Further, analysing the many facets of the process of globalization, and their policy implications, has become the central theme in OECD’s work, as the challenges and opportunities of globalization have become a high priority of policy-makers in OECD countries. (OECD 1996a: 15)

It has also asserted that ‘a broad consensus exists on many aspects of the policy requirement for a globalizing world economy’. In articulating the logic of globalization in this manner, the OECD appears to ‘objectify’ the economic relations it regards as ‘globalizing’, treating them as self-evident. This has the effect of masking some of the normative assumptions underlying its conception of globalization, treating them as if they were beyond political debate.

Yet, globalization is a highly contested political term, referring to a whole range of social processes. Indeed, it is possible to interpret globalization from three distinct perspectives. First, the term ‘globalization’ has been used to describe the ways in which the world is becoming increasingly interconnected and interdependent, referring to a set of social processes that imply ‘inexorable integration of markets, nation-states and technologies to a degree never witnessed before—in a way that is enabling individuals, corporations and nation-states to reach round the world farther, faster, deeper and cheaper than ever before’ (Friedman 1999: 7). In this way, globalization is widely associated with technological revolutions in transport, communication, and data processing. These developments, it is argued, have transformed the nature of economic activity, changing the modes of production and consumption. The global economy is now characterized as informational, networked, knowledge-based, post-industrial, and service oriented (Porter 1990; Castells 2000). The global economy has also led to a new conception of governance, requiring a radically revised view of the roles and responsibilities of national governments, minimizing the need for their policy intervention, with greater reliance on the market (Strange 1996). Yeatman (1998) has argued that this view suggests that the old centralized bureaucratic state structures were too slow and sclerotic and ‘out of sync’ with the emergent needs of transnational capital, and that new, devolved forms of governance are more compatible with the demands of the global economy. Culturally, this naturalized view of globalization is linked with enduring or even increasing cultural interactions across national and ethnic communities (Appadurai 1996).

A second perspective on globalization does not so much highlight its descriptive aspects as an objective set of social processes, but represents it instead as a subjective or phenomenological awareness by people and states of recent changes in global economy and culture. This view of globalization is reflected in the ‘values which take the real world of 5 billion people as the object of concern … everyone living as world citizens … with a common interest in collective action to solve global problems’ (Albrow 1996: 34). Important here is our collective consciousness of the world as a single space in which our problems are seen to be interconnected; involving a cosmopolitanism that requires us to recognize our interconnectivity and interdependence across the globe.

And finally, an increasing number of scholars and activists view globalization not as an inexorable process, but as a deliberate, ideological project of economic liberalization that subjects states and
individuals to more intense market forces (e.g. Bourdieu 1998, 2003). Such a perspective is based on a politics of meaning that seeks to accommodate people to a certain taken-for-grantedness about the ways the global economy operates and the manner in which culture, crises, resources, and power formations are filtered through its universal logic. It thus 'ontologizes' the global market mentality, creating global subjects who view policy options through the conceptual prism within which it is located. From this perspective, the term 'globalization' designates certain power relations, practices and technologies, playing a 'hegemonic role in organizing and decoding the meaning of the world' (Schirato and Webb 2003: 1).

The OECD’s perspective on globalization is a synthesis of these three perspectives. Its descriptions of global processes are informed by its assumed normative commitment to its ideological forms, articulated in terms of the neo-liberal logic of markets. Its ideological commitment to neoliberalism is, in turn, based on its description of what it often refers to as 'the imperatives of globalization'. And it promotes forms of social subjectivities that encourage people to view the world as an interconnected space in which informational networks play a crucial role in sustaining market activity. In this way, the OECD combines its empirical assertion about globalization with its prescriptive judgements; objective dimensions of globalization are elided with a subjective orientation towards the new conditions it describes.

Bourdieu (2003) writes about this slide from the descriptive usage of globalization to a normative or performative one. The performative usage constitutes globalization as simply neo-liberal economics encompassing the globe and in so doing elides the politics of the creation of a global economy, including the role of IGOs such as the OECD in its constitution. As Bourdieu argues, the creation of a global economy framed by neo-liberalism is a political project. He elaborates:

Economic globalization is not a mechanical effect of the laws of technology or the economy but the product of a policy implemented by a set of agents and institutions, and the result of the application of rules deliberately created for specific ends, namely trade liberalization (that is, the elimination of all national regulations restricting companies and their investments). (Bourdieu 2003: 84)

The OECD, while it no doubts views itself as presenting a very complex characterization of globalization, nonetheless provides a predominantly neo-liberal reading. Other social policies are then structured so as to complement this neo-liberal account of globalization. In what follows, we will attempt to demonstrate this structuration by examining the ways in which it now addresses the purposes of education within and for the knowledge economy, the OECD’s perspective on educational governance and its changing discourse in relation to the internationalization of education.

Knowledge Economy and Changing Purposes of Education

Since the 1990s, the OECD has changed the balance of focus within its educational policies. Increasingly education has come to be seen as central to human capital formation for the health of national economies in the face of international competition and global pressures. Furthermore, the economy for which individuals were being educated is now characterized as a knowledge economy with knowledge being the central, indeed intrinsic component of economic production and activity, reflecting developments in economic theory. Not only is human capital, including dispositions of individuals, important economically, but so too are knowledge and innovation at the workplace. The OECD has been centrally important in articulating and spreading policy talk about the knowledge economy and the role of education, innovation, and research in relation to it. Indeed, its document, The Knowledge Based Economy (1996) has been highly influential in promoting the concept and its associated policy developments. Within this knowledge economy frame, the economic goals of education are thus given priority over its social and cultural purposes and some emphasis is given to the need for different organizational arrangements in education. Additionally, the meaning that the OECD now attaches to the idea of lifelong learning is located within its broader discourse of knowledge
economy, which it now shares with other IGOs such as UNESCO and EU.

Lifelong Education for all became a major term of reference for UNESCO in 1994; and it was not until in 1996 that the OECD adopted ‘Making Lifelong Learning a Reality for All’ as a theme of its mandate for 1997–2001. However, during the mid-1990s there were different emphases attached to the concept of lifelong learning between the humanistic, social-democratic opportunity construction of lifelong learning and the individualistic, neo-liberal self-capitalizing individual construction (Rose 1999) within the work of these two organizations. Increasingly, however, the neo-liberal construction of the purposes of lifelong learning has taken precedence. This work has witnessed a refocusing of the goals of education on preparing people for the world of work and a life of self-capitalization, as indicated in two very influential OECD reports, The Knowledge Based Economy (OECD 1996a) and Lifelong Learning for All (OECD 1996b). In these documents, education is considered necessary to develop dispositions amongst all citizens towards ongoing learning across the life cycle. What is required now are flexible, mobile lifelong learners who have cosmopolitan dispositions and are able to deal effectively with cultural diversity, endemic change, and innovation. This emphasis has weakened the focus on social justice and social-democratic purposes of education, thus complementing the neo-liberal underpinnings of the OECD’s broad approach to economic policy.

This emphasis is reiterated in the most recent approved program of work of CERI for 2005–6, which sits within the overarching theme of Lifelong Learning and includes four sub-themes of Innovation and Knowledge Management, Human and Social Capital, a Futures Focus, and Learning and Teaching. A look at a listing of recent CERI publications shows the way, even within this relatively autonomous arm of OECD’s educational work, concerns of knowledge economy have become prominent. Recent CERI publications include: Innovation in the Knowledge Economy: Implications for Education and Learning (2004a), Measuring Knowledge Management in the Business Sector: First Steps (2004b), Knowledge Management: New Challenges for Educational Research (2003a), Schooling for Tomorrow—Networks of Innovation (2003b), and The Well-Being of Nations: The Role of Human and Social Capital (2001). The ubiquitous idea of knowledge economy, interpreted in neo-liberal terms, has thus become the defining concept with which the OECD has suggested the need for educational reform, providing a framework within which it has rearticulated the social and cultural purposes of education.

This much is evident from a look at the OECD website, where the current mission of its Directorate of Education is described thus: ‘To assist members and partners in achieving high quality lifelong learning for all, contributing to personal development, sustainable economic growth and social cohesion’. The Directorate currently has six strategic objectives which frame its program of work for 2005–6. These are: promoting lifelong learning and improving its linkages with other socio-economic policies; evaluating and improving outcomes of education; promoting quality teaching; rethinking tertiary education in a global economy; building social cohesion through education; and building new futures for education.

This list is clearly based on an instrumental view of education, as serving the needs of the global knowledge economy. Not only is its emphasis on lifelong learning, but also its focus on equity and social cohesion is based on this economic instrumentalism. This can be seen from the view of Barry McGaw (OECD 2005: 7), the Director of Education, who suggests that ‘Building only human capital is insufficient’, but rather, ‘Social capital—networks together with shared norms, values and understandings that facilitate co-operation within or among groups—is also essential to the development and maintenance of cohesive societies.’ Here, the focus on human capital is clearly evident, but is complemented by a rearticulation of social justice (or equity concerns) as social capital. The OECD’s definition of social capital is available in its publication, The Well-Being of Nations (2001b), positng a functionalist account of social inclusion as formal access to education. Contrast this with a tougher definition as utilized, for example, by Bourdieu (1986), which demands more than simply equality of access to educational opportunity, and suggests the need to address the issue of how schools reproduce inequalities, particularly in relation to social class of origin.
That the social efficiency and economic framing of education has usurped the goals of educational equity and has rearticulated it in the OECD's recent work can be further demonstrated by looking in more detail at the Organization's recent educational programs and its six key strategic objectives. Its Strategic Objective 1, 'Promoting lifelong learning and improving its linkages with other socio-economic policies' is informed by the premise that 'The contribution of education to economic development features in much of the work of the OECD as a whole.' Not surprisingly, therefore, its project on, for instance 'Improving early childhood education and childcare' is linked to lifelong learning and labour market policies, while 'Developing and measuring adult competencies' is designed to 'strengthen the linkages between learning, enterprise training and the labour market'. Its ‘Enhancing the economic impact of human capital’ project is concerned to ‘improve understanding of the role of human capital and intellectual assets in economic performance’. In seeking to understand the social outcomes of learning, the project on ‘Investigating the social outcomes of learning’ is also interested in linkages to other social and economic policies.

If we move to consider Strategic Objective 2, ‘Evaluating and improving outcomes of education’, we again see clearly the emphasis on economic and social efficiency. Thus it is stated: ‘The prosperity of countries now derives to a large extent from their human capital and individuals need to advance their knowledge and competencies throughout their lives in order to succeed in a rapidly changing world’. Strategic Objective 4 on ‘Rethinking tertiary education in a global economy’ speaks of the need for an appropriate balance of public and private sources of funding and also about the need for indicators regarding the individual and social returns from tertiary education. Returns to the individual are seen as ‘labour market earnings’, eschewing the broader liberal educational purposes of tertiary education.

Strategic Objective 5, ‘Building social cohesion through education’ speaks of improving equity and opportunities, but here the primary focus is on students with special needs, an emphasis on ethnic and cultural diversity of the student population as a result of the flows associated with globalization. All of this is worthwhile, as is the focus on bullying and violence, but social class issues are nowhere to be seen—equity has been rearticulated narrowly as concerned largely with issues of access to institutions and as social cohesion, an idea which in itself is highly ambiguous and may in fact be viewed as a residualization of a stronger social justice approach evident in the earliest work of the OECD (Papadopolous 1994). Strategic Objective 6, ‘Building new futures for education’ deals, inter alia, with knowledge management, which is in turn framed by knowledge economy discourse. Thus it is argued that ‘In advanced 21st century societies, the management of knowledge is as fundamental as the management of more fundamental educational resources (personnel, finance and facilities), but knowledge management in education tends not to be well developed.’ Absent from this discourse are issues concerning the ethics and politics of knowledge production and dissemination, and how various strategies of knowledge management could be used to reproduce global inequalities.

**OECD’s Perspective on Educational Governance**

With its growing emphasis on a more instrumental approach to education purposes, linked to the requirements of the knowledge economy, the OECD has also been pursuing a vigorous agenda about the need to rethink state structures and forms of educational governance. It has viewed the reform of educational governance as central to a nation's capacity to ensure accelerated economic productivity and growth. It has been at the forefront of a wave of public sector reform that has seen the structures and practices of all public sector departments transformed under the rubric of ‘corporate managerialism’ or ‘new public management’. This transformation has been based upon the take-up of private sector management practices in the public sector. The emphasis has changed from the old bureaucratic stress on correct procedures to an emphasis upon outcomes achieved at the lowest possible costs.

The twin goals of greater efficiency—doing things at the lowest cost—and greater effectiveness—achieving the goals set—have underpinned the new
structures that are less hierarchical and much flatter, with greater management prerogative for policy steering. The old pyramidal structure has thus been replaced by a flatter coat-hanger-like arrangement. Relations between the policy-producing strategic centre of the organization and the practice periphery have also been reset. The strategic centre establishes the strategic plan and desired policy outcomes, while the policy-practising periphery is responsible in whatever ways for achieving these goals. As such, any new autonomy at the periphery is in relation to means rather than policy ends, which are set more tightly by the centre as part of a new regime of outcomes accountability.

This new regime of governance is perhaps most evident in a highly influential OECD report, *Governance in Transition: Public Management Reforms in OECD Countries* (OECD 1995), which exemplifies the typical OECD genre of disinterested academic description attached to exhortations to change, combining descriptive with normative elements in its discourse. It notes, in a not too muted criticism of old-style state bureaucracies, that 'highly centralized, rule-bound, and inflexible organizations that emphasise process rather than results impede good performance' and that the efficiency of the public sector 'has a significant impact on total economic efficiency' (p. 7). It articulates a new discourse on educational governance that the OECD has vigorously promoted over the past decade. This discourse is constituted by such concepts as strategic planning, cost-efficiency, human resource allocation, competition and choice, optimizing information technology, performance management, and accountability. It provides the basis for an approach to public administration that redefines the relationship between the state and its institutions and individuals and civil society. It implores public institutions to restructure the way in which they make decisions and to re-imagine the manner in which they fund programmes, relate to their clients, and manage their resources.

It is important to note that, in promoting this view of governance, the OECD does not use a language of exploration of policy options to which it is committed, but acts instead as a strong advocate for these reforms; not as a facilitator of political debates among member countries, but as a political actor in its own right. It highlights the relevance of these governance principles for all its member countries, regardless of their local histories and traditions, and for the entire public sector, including education. In the process of implementation, educational systems thus lose their *sui generis* character. As a consequence, the organizational structures and basic practices look similar now in educational, health, welfare, and other public-sector bureaucracies. This outcome has also been achieved through, and expressed in some cases by, the appointment of generic managers to the various public sector bureaucracies and through contract employment linked to achievement of targets and goals. In a sense, this new arrangement is post-bureaucratic and is the result of the attempt to pull state structures and practices into line with the perceived needs of global capital.

What we have seen in educational systems across all the OECD countries, as a result of this public sector restructuring, is a centralization of policy setting and devolution of responsibility to achieve the goals set at the centre. The OECD has been thus been a strong advocate of the idea of devolution. However, its commitment to devolution does not rest on assumptions of social democracy, but on a set of corporate management principles. Its perspective on devolution has been framed not only by corporate managerialism, but also by market ideologies. In describing the recent wave of worldwide school-based management reforms, Whitty, Power, and Halpin (1998: 3) have argued that 'central to these initiatives are moves to dismantle centralized educational bureaucracies and to create in their place devolved systems of education entailing significant degrees of institutional autonomy'. These changes have also been 'linked to enhanced parental choice' designed to introduce a market element into the provision of educational services. A similar logic for the reform of higher education systems has been articulated by the OECD’s program on the Institutional Management of Higher Education (IMHE).

Indeed, the ideology of privatization, the notion that services are best delivered by the private sector within a competitive market, has become something of a mantra within the OECD. It has come to symbolize a new way of looking at public
institutions and the role of the state in managing the affairs of its citizens. Under this broad philosophical orientation, many possible activities are construed as eligible for privatization, ranging from selling state-owned enterprises to contracting out public services to private contractors, be they individuals or corporations. According to Bray (1996), privatization of education takes at least three forms: transferring ownership of public institutions, shifting sectoral balance without redesignating existing institutions, and increasing government funding and support for private institutions. Bray might have added to this list contracting out functions and services. At various times and contexts, the OECD has advocated each of these forms. It is important to note, however, that the debate within the OECD forums now is not whether to privatize, but which of its many forms might best produce the greatest amount of efficiency and effectiveness. The discourse is no longer normative, but technical—no longer about the capacity of the private sector to deliver public goods in a fair and equitable fashion, but about social efficiency with which educational markets operate.

This concern for social efficiency is encapsulated in Lyotard’s concept of ‘performativity’ (1984). Over the past two decades, the OECD has been at the forefront of promoting a new culture of performativity, which is linked to proof of policy outcomes as an important element of the steering-at-a-distance mechanism (Kickert 1991) of the restructured state. This culture of performativity pervades restructured educational systems through the imposition of a raft of performance indicators to hold accountable those who are responsible for service delivery. It represents a triumph of instrumental reason, which prioritizes the operational and measurable over substantive moral claims about truth and justice. As Yeatman (1994:110) puts it, such ‘[p]erformativity is a systems-orientation: instead of the state appearing as the enlightened and paternal command of shared community, the state is equated with the requirements of a system for ongoing integrity and visibility’. Performativity simplifies the tasks of governments and effectively works as a ‘principle of selective closure in respect of the information overload and social complexity’ (Yeatman 1994: 117) confronting the contemporary state.

Given this ideological shift towards a culture of performativity, it is not surprising that a large proportion of the OECD’s educational work now pivots around its Indicators project. Developed in highly controversial circumstances (see Henry et al. 2000), its annual publication Education at a Glance: OECD Indicators is disseminated widely not only across the OECD countries, but elsewhere as well, and sets the agenda for its deliberations. These data are collected in conjunction with the European Commission and UNESCO, under the title, ‘World Indicators Project’. The categories around which the project collects comparative data reveal much about its educational priorities, as being linked to the imperatives of performativity and social efficiency. Its focus on issues of transition from school to work, student participation and progressions, and labour-market outcomes of education derive their significance from the OECD’s instrumental view of education linked to the needs of the global knowledge economy. The OECD argues that international comparison is designed to assist in the processes of policy formation in member countries and to contribute to the public accountability of education systems; to provide a better understanding of ‘the internal processes that determine the relationship between educational expenditures and educational outcomes’ (OECD 1995: 7).

However, this is a somewhat understated view of the purposes and significance of the OECD’s work on indicators; that this work not only provides relevant comparative information to member countries, but also helps shape their policy agendas and priorities. There is a broader politics of change associated with the Indicators project, based as it is on a particular view about the policy directions and approaches needed to reform education. In this way, the project plays a normative and legitimization role in the promotion of what could be called a global ideology of educational management and change linked to broader public sector reform across member countries. It also serves to illustrate recent shifts in the OECD’s role as a policy instrument and forum, that is, as a catalyst facilitating policy development in member countries and assisting processes of policy dissemination, adaptation, and borrowing—to that of an international mediator of
knowledge and global policy actor. Along with PISA, the Indicators work as a significant 'magistrature of influence' above the nation (Lawn and Lingard 2002), enhancing the policy effects of the OECD.

And in so far as its work on educational indicators now encapsulates countries beyond its member countries, and is conducted in association with other IGOs such as the European Commission and UNESCO, this work is part of a project of global rationalization, setting up a set of standardized educational measurements with which to assess the competitive advantage of nations within the global economy in terms of the quality of their human capital. The OECD was involved in November 1999 in the creation of the PARIS21 Consortium, consisting of the UN, OECD, World Bank, IMF, and EC. Its purpose is to ‘boost statistical capabilities especially in poor countries’. One can speculate on the effects of this policy-numbers approach in contributing to a global policy space of comparison. Viewed in these terms, the Indicators in Education project cannot simply be represented as a collection of comparative data on the relative performance of member countries, but is clearly part of a broader ideological agenda designed to make their educational systems more responsive to what the Organization regards as the human capital needs of the global economy. The Programme for International Student Assessment (PISA) also works in this way. PISA now encompasses almost as many non-member as member countries and constitutes an emergent global policy space in education, which encourages policy convergence and which sees the OECD as a powerful policy actor in the constitution of this space. It accounts for about 30 per cent of the Directorate for Education’s budget. The emphasis on international comparative outcome measures such as PISA is complementary to the new forms of governance in education.

Internationalization: From Student Mobility to Educational Trade

The broad elements of this shifting neo-liberal ideological agenda are also evident in the recent shifts in the OECD’s work in relation to the internationalization of higher education. The Organization’s work on this stretches back to the mid-1980s, and was linked to study abroad programs of the European Union. It involved an exploration of rationales for student mobility. In an influential report, published in the early 1990s, two consultants to the OECD, Jane Knight and Hans de Wit defined internationalization of education as a complex set of processes designed to integrate an international dimension into most aspects of the work of universities. They argued that a comprehensive understanding of internationalization must involve a commitment to the development of new skills, attitudes, and knowledge in students, faculty, and staff. Accordingly, they note: ‘Internationalisation of higher education is the process of integrating an international/intercultural dimension into the teaching, research and service of the institution’ (Knight and de Wit 1995).

In a more focused way, Knight and De Wit (1995) argued that the rationales for internationalization fall into two broad overlapping rationales:

1. Economic and political rationales, such as economic growth and investment in the future economy; to be competitive with the international labour market; to foster diplomacy through educational cooperation; financial incentives (e.g. contract education, recruitment of foreign students and international education advisory services can generate income); and the national demand for higher education is so great that nations stimulate study abroad;

2. Cultural and educational rationales, which may either be to export national, cultural and moral values, or to increase intercultural knowledge, skills and research; to expand the social learning and development of the individual; to provide an international dimension to research and teaching; to strengthen the core structures and activities of higher learning institutions through international cooperation; and to improve the quality of education and research.

Whatever their validity, these rationales suggest the OECD, in its earlier mode of analysis of internationalization, to be committed to an exploration of the diversity of approaches relevant to the purposes of education. There is a refusal to embrace a reductionist view of education, giving equal weight to economic and cultural concerns. This view was reinforced in the 1990s by a number of other OECD documents examining the idea...
of internationalization, which suggested that internationalization was important to the development of universities partly because of labour market stipulations, but also because of social and cultural developments in general, which were heading towards multicultural and cosmopolitan sensitivities.

Through the 1990s, there were attempts within the OECD to define the complex idea of the internationalization of curricula, with the recognition that commercial and economic issues had to be reconciled with issues of cultural diversity and interpersonal dimensions of global relations. There was on the one hand a realization that the changes associated with technological innovation and the globalization of the economy, together with the post-Fordist vision of flatter organizational structures and flexible work, demanded a different set of cognitive and communication skills, multi-skilling and lifelong learning, and attitudes of teamwork and tolerance towards other cultures. Radical re-thinking of curriculum and pedagogy was thus deemed to be necessary.

Yet, towards the end of the 1990s, these curriculum conversations within the OECD became increasingly marginal, replaced by a different set of considerations regarding the internationalization of higher education, marked more by concerns about the coordination and regulation of international trade in education than by the issues of cross-cultural understanding and global imagination. The OECD's August 2004 policy illustrates its shifting concerns in this area. The OECD's original interest in internationalization was informed by issues to do with the educational benefits of student mobility. Mobility is no longer examined in educational terms, but in commercial terms, concerned with the ways to generate additional revenue from international education for universities in member countries from non-member countries such as China and India.

The OECD has thus looked closely at the developments in higher education in China, as a way of exploring how greater cooperation can be forged between the OECD members and the world's fastest-growing economy. Its work on expanding access to higher education in China in 1999-2001 and on financing higher education and quality in China in 2004 has highlighted the need to improve the interface between the public and private education sectors and the national and regional education authorities; and has also offered policy recommendations for increasing equity of access. The interest by the OECD countries in privately funded higher education in China is barely masked. That this work on China is informed largely by the OECD's economic interest in clearly revealed in the fact the Organization has shown little interest in developmental issues of higher education in Africa and South America.

The OECD's interest in issues of cross-border trade in higher education is further revealed in its support for the General Agreement on Trade in Services (GATS) currently being negotiated by the World Trade Organization (WTO), the principles of which, the OECD argues, are consistent with its own advocacy for 'Coded Liberalization of Capital Movements and Current Invisible Operations', issued in 1995. In its policy brief on the Internationalization of Higher Education (2004b), the OECD presents four main policy rationales for cross-border education: mutual understanding, skilled migration, revenue generation, and capacity building. It argues however that these rationales are not mutually exclusive and have a strong economic drive. It recognizes that cross-border trade in education runs the risk of undermining public education and quality, but suggests that such fears can be overcome by a vigorous regime of transnational regulation and coordination. However it insists upon the veracity of the GATS mandate for the development of 'any necessary disciplines to ensure that measures relating to qualification requirements and procedures, technical licensing requirements do not constitute unnecessary barriers to trade'.

The other rationale for cross-border education highlighted by the OECD relates to skilled migration. Over the past decade, the OECD has paid a great deal of attention to the issues of skilled migrants needed within its member countries to retain competitiveness within the global economy. It has viewed international education as a major source of recruitment, even if this means 'brain drain' from the developing countries. The Organization seems to regard as perfectly understandable the aim by the developed countries to recruit talented students from the developing countries...
'to work in the host country’s knowledge economy, or render higher education and research sectors more competitive' (OECD 2004b: 4). Indeed, it advocates an easing of the relevant visa or immigration restrictions on the one hand and providing specific services to help international students stay abroad on the other. Its report on Science and Technology Labour Markets (2001) argues that highly skilled persons are driven by different push-and-pull factors. ‘In addition to immigration legislation, other factors, such as taxation, studying abroad, quality of work, openness in communication, business expansion overseas, labour market supply and demand signals, etc. play an important role in the choice of highly skilled migrants to relocate overseas.’ Largely technical in its discourse, absent from the report is any discussion of moral considerations pertaining to the global inequalities created by such policies of skilled migration via internationalization of higher education.

Conclusion

The educational work of the OECD has always been linked to the broad economic purposes of the Organization. In respect of its policy framework, there has been a tension between the neo-liberal and the social democratic. We have argued that at the current moment in the context of globalization considered in particular ways in the work of the OECD, and given the global hegemony of the USA, the neo-liberal perspective now dominates. Indeed, we have suggested that the OECD has been an important institution and actor in the constitution of a global economy framed by neo-liberalism. Policies, we know, often discursively create the contexts to which they are purportedly a response (Taylor et al. 1997). The OECD, while working with competing definitions of globalization, has largely constituted globalization in a performative way as neo-liberal ideology applied to the whole globe. The impact of the work of the OECD is also now much wider than in its member countries. Along with other international organizations, it has created particular economic ‘policy talk’ about a knowledge economy, which has contributed to policy convergence in respect of economic policy and organizational arrangements and practices across the globe. In all of this, the OECD has become more of a policy actor than it once was.

Since its inception, ongoing tensions between social efficiency and equity goals of education have existed in the OECD’s educational work. In his historical overview of the OECD’s educational work during the 1970s and 1980s, Papadopoulos (1994) provided an account of these tensions. Some years later, Henry et al. (2000) demonstrated these tensions in the late 1990s, between quality and equality, between the economic, social, and cultural purposes of education, and in an emergent stress on social cohesion set against the recognition of the growing inequality associated with neo-liberal globalization. In this chapter we have argued that, more recently, the discourse of knowledge economy, in the context of a particular construction of globalization, has pushed the balance between equity and social efficiency firmly towards the latter and focused on the production of the self-capitalizing, flexible, neo-liberal subject. In the process, there has been a rearticulation of equity, through the use of the concepts of social capital and social cohesion, rather than stronger social-democratic concerns about social justice in provision and outcomes in education. Through its statistical and assessment work in education (e.g. Indicators, Education at a Glance, PISA) and more generally (e.g. PARIS21), the OECD is also promoting a policy agenda for reforming educational governance, based on neo-liberal precepts of marketization and privatization on the one hand and strong systems of accountability on the other. The OECD has thus contributed to the creation of a global policy space in education. Here it now works as a ‘magistrature of influence’.

In this chapter we have argued that the OECD has been a dynamic institution, simultaneously expressing, responding to, and promoting particular policy ideas in education. In its current phase it insists that ‘The development of modern knowledge economies has increased the importance of education policy.’ In creating a separate Directorate for Education within the OECD in 2002, it has both underlined the importance of education and also made education a function of economic policy in the knowledge economy. It is interesting to
speculate therefore whether this new arrangement simply reinforces the neo-liberal economic hegemony, especially through its cross-sectoral work, or allows some more space for a re-emphasis upon the equity aspects of educational policy, particularly in a context where the neo-liberal uptake of globalization seems to have exacerbated inequalities within and between nations.

NOTES

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1. Chile, Estonia, Israel, the Russian Federation, and Slovenia participate in the Education Committee as observers, Chile and Israel also participate on the Governing Board of the Centre for Education Research and Innovation (CERI), while for PISA 28 non-member countries are involved along with the 30 member countries.