

# UCLA

## UCLA Previously Published Works

### Title

Considerations of the impact of neoliberalism and alternative regimes on learning and its outcomes: an empirical example based on the level and distribution of adult learning

### Permalink

<https://escholarship.org/uc/item/1713x432>

### Journal

International Studies in Sociology of Education, 23(3)

### ISSN

0962-0214

### Author

Desjardins, R

### Publication Date

2013-09-01

### DOI

10.1080/09620214.2013.790659

Peer reviewed

## **Considerations of the impact of neoliberalism and alternative regimes on learning and its outcomes: With an empirical example based on the level and distribution of adult learning**

### **Author**

Richard Desjardins, Aarhus University

This is the accepted version of the following article

Desjardins, R. (2013). Considerations of the impact of neoliberalism and alternative regimes on learnings and its outcomes: With an empirical example based on the level and distribution of adult learning, *International Studies in Sociology of Education*, Volume 23, Number 3, pp. 182-203.

<http://dx.doi.org/10.1080/09620214.2013.790659>

### **Abstract**

This paper considers the extensive critique of the impact of the “market” or “neoliberal” model on learning and its outcomes in light of alternative models. The purpose is to consider the potential impacts of the market on learning and its outcomes and to contextualize critique by considering alternative coordination regimes. Three alternative regimes to coordinating economic activity and various aspects of education and adult learning systems (market-dominated, state-dominated, and stakeholder-dominated) are contrasted by highlighting the weaknesses and strengths of each with regard to learning and its outcomes. In turn, these regimes are linked to the varieties of capitalism and welfare state literature. Comparative data are used to briefly consider the link between alternative regimes and the level and distribution of adult learning.

## INTRODUCTION

Education in the 21<sup>st</sup> century is now a key economic policy tool. While education has been thought to be important for economic policy since the days of Adam Smith, this importance has intensified since the 1950s and especially since the onset of neoliberalism in the early 1980s. Among other things the influence of neoliberalism has reduced the significance of conventional macro-economic policy tools and other regulatory mechanisms, leaving national governments few alternative options for protecting their citizens against material as well as social and cultural risks. In effect, these developments have increased the significance of education in many regards, but the importance of a well-functioning economy for sustaining overall welfare has ensured that the economic rule of education is crucial.

An important irony is that neoliberal politics actually emphasize the role that education should play in mitigating economic risks but deemphasize the role it should play in mitigating social and cultural risks, even if these latter risks have also been exacerbated by neoliberalism. While such tendencies exist, this is not a universal phenomenon. There are varieties of capitalism and different welfare state regimes that continue to rely on non-market-based solutions despite the onslaught of neoliberalism. Accordingly, there is a wide range of variation in institutions and public policies that condition and frame education and adult learning systems, including wider skill- and value-formation processes, and not least the level and distribution of learning. While market-oriented principles can and do have negative impacts, including on the distribution of learning opportunities, the suitability and desirability of alternatives is not obvious and should be considered carefully when critiquing efforts to improve the coordination of education and adult learning systems.

This paper is organized as follows: First, a discussion of the rise of neoliberalism and some of its implications on learning and its outcomes; second, an overview of the consideration of the impact of alternative regimes on learning and its outcomes; and lastly, comparative data on the level and distribution of adult learning considered in light of alternative regimes.

## A CHARACTERISATION OF THE IMPLICATIONS OF NEOLIBERALISM ON LEARNING AND ITS OUTCOMES

This section discusses some of the general and specific implications of neoliberalism on learning and its outcomes. The focus is on broad contextual change that has implications on how social inequality is viewed, as well as the need for and orientation of learning.

### *General implications of neoliberalism on learning and its outcomes*

It is well documented that by the early 1980s there was a dramatic change in the dominant discourse that drove the politics of the day in the Anglo-Saxon world, namely from a predominantly socially oriented view of the role of the state to an economically oriented one (e.g., Davies and Bansel, 2007; Hursh, 2005; Gewirtz, 2002; Pierson, 1994). The former was encompassed by the model of the Keynesian welfare state while the latter has come to be associated with the model of a neoliberal post-welfare state. This development has been most prominent in Anglo-Saxon states, including the US, the UK, Australia, Canada and New Zealand, but as a source of political influence, neoliberalism has extended well beyond the reach of these

countries. Neoliberal ideas have had an impact across a broad range of policy thinking, including limited government intervention, government budgetary discipline, free trade, competitive exchange rates, privatization, reduced capital controls on cross-border flow of finance, and deregulation of market activity among others such as union-busting (Rodrik, 1996; Cohen and Centeno, 2006). In short, this list is known as the “Washington Consensus” because international organizations located in Washington such as the International Monetary Fund and the World Bank promoted these policies throughout the world, especially in the 1980s and early 1990s.

### Globalization

Today, most observers agree that the neoliberal doctrine is the main ideological force that underpins the creation and sustenance of a wide range of structural conditions, including legal and institutionalized frameworks at the international and supranational level (e.g., the World Trade Organization, multinational corporations), which allow for the forces of globalization and especially global capitalism to thrive. Most nations today are affected by the phenomenon of globalization and the ideology of neoliberalism. In many countries, however, the degree of influence of the latter is debatable, particularly in welfare states that are economically successful such as the Nordic countries. While influenced by the neoliberal doctrine and experiencing the pressure of intense competition, especially as small open economies in a globalized world, the latter have adapted some of the neoliberal policy thinking, but to a large degree, they have remained within the framework of the welfare state (Timonen, 2003).

The influence of the neoliberal doctrine on some of the world’s most powerful economies as well as international institutions coincides with unprecedented liberalization of not only economic forces but also technological, sociocultural, and political forces. This influence is encapsulated within the phenomena of globalization, which by the late 1990s was evident to most observers. Initially, the main rationale for promoting international liberalisation lay within neoclassical economic trade theory, which suggested that everyone in the world will be better off materially if market activity is left unregulated, not only within borders but also across borders. Politically, this approach appealed to proponents of neoliberalism because there was a belief that a connection existed between free market activity and wider democratic principles (e.g. Friedman, 2002). Indeed today we can observe an increased flow of goods, services, people, knowledge, ideas, information, and financial capital across borders, and accordingly, an increased number of market democracies and open societies. While globalization has been facilitated by technological developments, and in particular by the impacts these developments have had on reducing communication costs including the flow of goods, people, and information, it is unlikely that we would see the increased cross-border activity that we see today without the emergence of the neoliberal doctrine.

Although there has been little overall economic growth in Africa and the Middle East since 1950, trends in world GDP figures indeed suggest that wealth is greater in the world today (Shackman, Ya-Lin, and Xun, 2005), at least materially, but such figures say little about how this wealth is distributed within countries. Along with an increased level of competition in the world, inequity has also increased (OECD, 2011), and this inequity can be linked to an increasing and unequal distribution of access to education and adult learning opportunities. For example, the earnings differentials of adults with more than upper secondary education compared to adults without have increased in many OECD countries (OECD, 2010).

As advocated by economic theory, competition is important for securing an optimal level of welfare (Gurria, 2008). But it is important to note that neoclassical economic theory, which supports liberalization, tends to ignore social, cultural, and political factors as well as attitudes, values, and beliefs. These elements have been affected by competition too, however, in both positive and negative ways depending on perspective and context. Thus there is an increased competition not only for sustaining material standards of living but also for sustaining cultural, social, and political values. From this perspective, it is not surprising that the consequences of living in an open, globalized world have been inward-looking and protectionist ideologies based on nationalism and ethnocentrism (e.g., rise in support for far-right-wing parties in Austria, Denmark, France, and the Netherlands). These tendencies point to the importance of focusing on the social and cultural implications of education and adult learning, not just the economic ones.

#### Reduced effectiveness of conventional economic policy tools

The influence of neoliberalism has reduced the effectiveness of conventional economic policy tools and other means that national governments have at their disposal for managing the economy and protecting their citizens. Governments have two main types of macroeconomic policy tools to maintain or improve standards of living, namely fiscal and monetary policy<sup>1</sup>. They can also use regulations such as restricting trade and capital flows, as well as redistribute resources through taxation and social transfer programmes. In using these tools, governments can play an important role in coordinating the economy at a macro-economic level. Keynesianism, which argued for an interventionist welfare state, advocated the use of these tools to foster and steer the health of the economy. This was in sharp contradiction to the neoliberalist doctrine, which, in its strictest form, is based on the belief that free-market economies are inherently stable in the absence of major government interventions and that the liberalization of markets, including the free flow of capital, goods, people, knowledge and ideas, holds the promise of economic rewards and overall increases in welfare. This doctrine is based on a range of economic theories and empirical studies on international trade, growth, labor markets, and industrial organization.

By reducing the effectiveness of conventional policy tools, a more liberalized context has reduced the capacity of national governments to afford protection to their citizens. This exposes people to increased risks. For example, because of the decoupling of local labor and global capital that is associated with globalization, people now face an increased risk of losing their jobs. Under Keynesianism, governments had a range of tools at their disposal for responding to such risks. For example, competitiveness could be maintained through protectionism such as imposing trade tariffs or quotas, providing subsidies, or fixing exchange rates so that local currencies would remain undervalued.

While neoliberalism, which in general advocates against protectionary measures, has indeed had a powerful influence on the national politics of many nations, governments can and do continue to use fiscal, monetary, and other regulatory policies to coordinate and protect the economy, only now the context is different. Namely, many countries face institutionalized and legal frameworks that are based on principles of international liberalisation, such as the European Union, the European Monetary Union, or the World Trade Organization. As intended, the degree to which

---

<sup>1</sup> Fiscal policy refers to government policy that attempts to influence the direction of the economy through changes in government borrowing, spending, or taxation. Monetary policy on the other hand attempts to stabilize the economy by controlling interest rates and the supply of money.

national governments can use their conventional tools for the purposes of protection and meeting strategic interests is constrained by such frameworks. Although there is continued pressure and creative ways to meet these needs, it is increasingly difficult for national governments to use these tools for the purposes of protecting local producers or labor from international competition. Accordingly, national governments have fewer options on how to fulfill their mandate of protecting their citizens' standards of living. This is a key reason for why the distribution of education and adult learning opportunities has become a vital issue.

The increased risks are not only material, however. In an open global environment, individuals and communities face an increased risk of losing their heritage and their personal, social, and cultural values because of an increased flow of ideas as well as a globalized democratic debate over what should and should not be valued and at what level. This is a key reason why the need for and orientation of learning is more important than ever.

#### Shift in responsibility for social inequality

A major implication of neoliberalism is on how inequality is socially perceived. Neoliberalism can be construed as a force attempting to shift the responsibility for inequality to the individual and one that refutes the idea that increasing social dependence is a viable solution to economic and social ills. While social inequality was seen as a social injustice in the Keynesian period that should be corrected, neoliberal thinking has tended to view it as a result of individual inadequacy and as a source of incentive to become a more productive member of the workforce or a successful entrepreneur. In a number of countries, for example Canada, this force contributed to a shift in the general tone of educational policy back to a pre-war political liberalism, which was premised on the idea that individual opportunity and equal access to education combined with social inequality benefits the economy and society (Mitchell, 2003). This is in contrast to the "ethical liberalism" of the 1960s, which was based on the ideas of John Dewey, among others, who emphasized the use of education for developing each individual to her fullest potential (see Olssen, 2000).

#### ***Specific implications of neoliberalism on learning and its outcomes***

Driven by liberalization and advances in information and communication technologies, industrial countries are undergoing a period of fundamental economic transformation in which knowledge and information are being promoted as the foundations for competitiveness, economic growth, and improved standards of living for all. As mentioned above, many macroeconomic tools used to coordinate the economy have lost their effectiveness as a consequence of liberalization. This is one major reason why educational policy has become entwined with the economic viability of nations and has thus become increasingly interlinked with and subjected to economic ends. Reviewing national and supranational policy documents reveals the increasing importance attributed to the role of lifelong learning in promoting the well-being of nations and individuals. This reflects the sentiment that education is now fundamental for nations to maintain competitiveness and standards of living, as well as that governments have few alternatives but to rely on education policy. By implication, the rise of neoliberalism has set the stage for education to play a greater role in economic policy and, conversely, a greater role for economics to play in education.

Increased emphasis placed on economically relevant and measurable learning outcomes

An increased premium is now placed on the economic dimensions of education and learning. To their credit, many governments do see the value of education beyond the strict economic dimensions, but these concerns could be interpreted as rare deviations from the neoliberal paradigm. In Denmark, for example, well over half of the 350 strategic initiatives put forth by the globalization council are directly linked to education and training (Danish Government, 2006). The purpose of the council was to investigate the issue of how the country should respond to the challenges of existing in a globalized world. Perhaps not surprisingly, the importance of a well-functioning economy has nevertheless ensured that mitigating the economic risks associated with globalization has assumed a dominant position in the discourse surrounding the role of education.

Rubenson (2006) discusses the more holistic view proffered by UNESCO on the role of lifelong learning in promoting not only economic improvement but also personal, social and cultural values. He suggests that this view has been set aside or overtaken by a competing paradigm put forth by the OECD which is based on a more narrow economic perspective of lifelong learning. A number of observers have expressed concern about the possible negative implications this may have for the role of education in helping to sustain wider democratic principles (e.g., Moutsios, 2008)

In many countries, globalization has meant that the philosophy underlying education is rapidly being replaced with the meaner, harder logic of competition on a global scale. The US offers an interesting example because of the early prominence of neoliberal tendencies in that country. A series of reports in the US dating back to the emergence of neoliberalism exemplify the concern for international competition and the link between education and national economic security as well as prestige. In 1983, Reagan's secretary of education, Terrel Bell, commissioned a report on the importance of educational reform entitled *A Nation at Risk*. The main message of the report was that America had serious problems with the quality and effectiveness of its schools and had to do something about it to survive as a nation. It reinforced the political sentiment regarding education which was felt when the Soviets launched the Sputnik in 1957:

"Our nation is at risk. Our once unchallenged pre-eminence in commerce, industry, science, and technological innovation is being overtaken by competitors through the world... We live among determined, well-educated, and strongly motivated competitors. We compete with them for international standing and markets... America's position in the world may once have been reasonably secure with only a few exceptionally well-trained men and women. It is no longer." (NCEE, 1983).

The report had a profound impact on education in the US, but also had ramifications at the international level. The US pulled out of UNESCO in 1983, and instead increased pressure on the OECD to produce internationally comparable education statistics and evaluate the condition of education in the industrialized world. Interestingly, this was one way for the US federal government to secure a role for itself in its own national debate, since education policy was predominantly the responsibility of individual states and the newly created federal Department of Education in the late 1970s had in fact little control over education. This exemplified the growing complexity of the relationships between national governments and international bodies.

Furthermore, the 1980s marked a period when a number of countries, began to set educational standards in certain subject areas (e.g., NRC, 1986). Success in science and mathematics education was prioritized because these were seen as crucial subject areas where good

performance is necessary for being ready to compete in a global economy. In particular, a link was made between science and future workforce requirements:

“Science understanding and ability also will enhance the capability of all students to hold meaningful and productive jobs in the future. The business community needs entry-level workers with the ability to learn, reason, think creatively, make decisions and solve problems” (NRC, 1986, p.12).

More recently, picking up where *A Nation at Risk* left off, the John Glenn Commission in the US produced a report entitled *Rising Above the Gathering Storm* (CPGE, 2007). Its main message reinforced the threat of globalization to individual nations and the key role that education had to play: “Having reviewed trends in the United States and abroad, the committee is deeply concerned that the scientific and technological building blocks critical to our economic leadership are eroding at a time when many other nations are gathering strength” (4). Science and mathematics were again placed at the center:

“The U.S. system of public education must lay the foundation for developing a workforce that is literate in mathematics and science, among other subjects. It is the creative intellectual energy of our workforce that will drive successful innovation and create jobs for all citizens” (112).

The perceived impact of education on competitiveness and other economic outcomes takes on a more prominent role in setting the direction of educational systems. In particular, it influences the debate on what it is that educational systems are supposed to achieve and, more precisely, which learning outcomes (for example, science and math literacy).

As an example, a corollary to this in the mid-1980s in the US was to shift the policy focus toward reforms that would centralize control. Policymakers were frustrated by a combination of two pressures: a pressure to constrain resources, and a pressure to reform so that education would respond to the looming threats and consequences of the expansion of global capitalism. Some have suggested that one consequence of these pressures was that policymakers acted to centralize decision-making control, particularly over key aspects regarding who should influence the agenda for setting educational priorities and who should regulate the framework conditions for resource management (see Bascia et al., 2005). A tension grew between bottom-up approaches to policy making, which made headway in 1960s, and top-down approaches. In the US, there was a struggle between the federal and local officials and business leaders became involved (see Bascia et al., 2005). Greater control over education policy would also facilitate a reshaping of the mechanisms needed for ensuring that education was being as effective as it could be and that objectives were being met in the most efficient way. But this carries the risk of placing too much emphasis on learning outcomes that are seen as relevant for economic competition on a global scale and are easily measurable.

The accountability and standards discourse that followed the rise of neoliberalism in the 1980s marked the emergence of the measurement industry in education (see Wells and Holme, 2005; Roeber, 1999), including standardized measures of achievement (e.g., the US National Assessment Education Program). By extension, such mechanisms would help to generate better data for the purposes of managing learning outcomes. This approach remains attractive for many because it forces actors to define better the objectives of education and provides tools for assessing whether those objectives are adequately being meant. The problem with focusing on learning outcomes, however, is whether existing measures do justice to the actual objectives. Accountability that is driven by measurement carries the risk that educational systems are guided by what can be measured rather than by actual objectives. For example, teaching to the test is a



real concern; so is an over-emphasis on certain outcomes that favor science and technological development outcomes over wider outcomes that relate to socialability and civicness. Still, measures that are unduly narrow can help us make headway but only as long as the limitations are widely acknowledged and taken into account.

#### Increased adaptation of market oriented principles in education

The heightened significance of education for economic policy has gone hand in hand with a greater role for market oriented principles to play in education policy. The adaptation of market oriented principles can be characterized as part of a wider movement to modernize the public sector (i.e., New Public Management), which deeply influenced structural reforms in education. The aim of NPM is to increase the effectiveness and efficiency of public services while maintaining recognition for the special characteristics of public goods, for example, their non-pecuniary or externality dimensions. This movement involves increased pressures for privatization and marketization in education (see Wells and Holme, 2005), including an increased focus on learning outcomes and the fostering of incentives.

With this as a background, the introduction of accountability, standards, and measurement in education is seen as a solution for balancing the need for a more decentralized market-oriented approach while at the same time allowing for greater centralized control over quality and cost efficiency. Accountability and standards-based mechanisms allow for greater transparency but also for greater centralized control in defining the anchors from which to manage the educational system, while at the same time helping to foster and align incentives to fulfill those objectives, including the use of sanctions for not meeting standards (e.g., the No Child Left Behind Act in the US).

#### Increased pressure on claims to the public good function of education

Calls for budgetary discipline that follow from the neoliberal doctrine place intense pressure on claims to the public good function of education. Already by the early 1980s, evidence on the returns to education as measured by economists indicated that private vs public returns to education were comparatively high, especially for higher education (e.g., Psacharopolous, 1973, 1981, 1985, 2006). From an economic perspective, this evidence meant that individuals should also help to cover the costs, or else a smaller, more fortunate sub-population would benefit at the expense of the wider public. Even so, the faith in education as a positive force in wider society has remained strong, and accordingly so has public support for education, especially for primary and secondary schooling. Furthermore, more recent estimates that take account of a broader range of benefits such as improved health and reduced crime suggest that the public returns to education are just as high as the private returns, if not higher (e.g., McMahon, 1999). While such counterbalancing perspectives have proved fruitful in many wealthy countries with already advanced structures, the pressure remains high and has in many cases led to disastrous consequences for education and adult learning structures. For example, as a consequence of structural adjustment programmes promoted by the World Bank and IMF in the 1980s (Chossudovsky, 1997)

#### Increased inequality in the distribution of learning and concomitant economic and social outcomes

Not least, it is important to acknowledge that market forces drive inequality in access to education and adult learning opportunities. Although subjecting more educational activity to the disciplinary

mechanism of the market can be important for loosening rigidities in cultural traditions and social structures that tend to preserve the power and status of the few who are privileged, it is also necessary to acknowledge that the market rules of competition reinforce the advantages of those from economically privileged backgrounds. Those who already have means, get more, and those who do not, get less. Exacerbating this pattern is the tendency for the same principle to apply to lifelong learning, which implies inequities in economic and social outcomes. Analysis based on adult learning data reveal that those who already have achieved high levels of education are those who continue to learn and those who need it most are those who do not engage in any learning (Desjardins et al., 2006).

Few governments explicitly acknowledge the polarizing tendencies of the market and its role in exacerbating disadvantage in access to learning opportunities. Evidence emanating from the experience of high-income countries over the last 25 years helps to reveal that general policies have limited success in getting disadvantaged groups to participate in learning because it is advantaged groups who end up consuming more than their fair share of the resources. Instead, it has been earmarked funding for targeted strategies, like outreach and study aid, that have been most successful for addressing inequity. The most significant challenge is to stimulate the demand among those groups for which the measures are taken. In some countries, however, there is an alarming over-reliance on the market mechanism for meeting the needs of adult learning, which is likely to widen inequalities. As an example, since the 1990s Poland has adopted a general rule for education policy which is based on a view that the needs of the labor market are best met by a fully free market of education services (UNESCO, 2008).

## **AN OVERVIEW OF CONSIDERATIONS OF THE IMPACT OF ALTERNATIVE REGIMES ON LEARNING AND ITS OUTCOMES**

The precise mix of the market and other coordinating institutions relevant to education and adult learning systems and how they related to each other is unique in every country. In short, there is no one-model-fits-all. Reasons for the differences include political philosophy (e.g., trade-off between freedom and equity) but also simply historical circumstances and choices (see Thelen, 2004). To be sure, the influence of the market can be seen in nearly all countries, but the degree of its influence varies widely. Several ideal typologies emerge from the literature on welfare regimes and varieties of capitalism that are useful for analytical purposes (see Hall and Soskice, 2001; Arts and Gelissen, 2002; Lauder, Brown, and Ashton, 2008; Saar, in press). The following balances some of the critiques of neoliberalism discussed above by considering some of these alternative ideal-type approaches to coordinating education and adult learning systems.

This discussion focuses on three alternative regimes to coordinating education and adult learning systems, namely a market-dominated regime, a state-dominated regime, and a stakeholder-dominated regime. These are contrasted by highlighting perceived weaknesses and strengths of each with regard to the coordination of education and adult learning systems. A balanced approach encompassing aspects relevant to all three regimes is also introduced to do justice to nation-specific examples.

### *A market-dominated regime*

While the above discussion highlights the main features pertaining to the consequences of a market-dominated regime on learning and its outcomes, a few additional points are worthwhile, as is a reiteration of some key points.

The negative implications of a market approach are plenty even if underplayed by proponents of neoclassical economics, but it is important to recognize advantages too. Foremost among these are the positive impacts generated by the disciplinary mechanism of the market to use resources effectively and efficiently in line with defined objectives and aspirations. The market can also be important for loosening rigidities in cultural traditions and social structures that tend to preserve the power and status of the few who have been privileged on the basis of social and cultural norms, often in terms of what can be construed as unjust. In fact, liberalism can be said to have its roots in a movement aiming to rebalance the allocation of power in societies, which in Europe was largely based on principles of hereditary titles of nobility prior to the French Revolution.

Among the key disadvantages, however, the market rules of competition reinforce the advantages of those from economically privileged backgrounds and by extension exacerbate economic inequality. From a welfare-state perspective, individuals in these countries tend to retain the right to income transfers; however, equalization instruments are weak, social spending is relatively low, and the state is seen as the compensator of last resort. Moreover, the state is a tight enforcer of work in the market place (Leibfried, 1992). Eligibility for social benefits is determined with a means test (Ferrera, 1996). Some have argued that family welfare policies in countries that emphasize a market-led approach are too minimal and inadequate (Siaroff, 1994) for offsetting the negative implications of a market-dominated regime.

Another key disadvantage is that the market-based incentives of different actors may not be necessarily just or aligned toward the best possible outcome for all. This is partly related to the insufficient information that is available in the marketplace to enable an effective coordination of various activities, include those pertaining to education and learning. For example, important social, cultural, and political aspects are neglected when relevant information exchange is reduced only to that between market participants. Even with regard to economic aspects, the market participants may not necessarily have consistent or aligned incentives that can lead to suboptimal market-based solutions. The market does not necessarily have the necessary incentives, for example, to adjust work practices to make the best use of existing skills (Desjardins and Rubenson, 2011). There may also be insufficient information in the marketplace to guide the production of the right levels and mix of skills needed in the labor market and the matching of skill supply with skill demand. Non-market solutions to coordinating education and learning activity may thus be necessary to improve information exchange even among firms or between firms and educational institutions.

In reality, even countries that rely most on the market mechanism tend to feature complementary forms of coordination above and beyond the market. This is partly in response to the disadvantages mentioned above. However, complementarities can serve to preserve and strengthen the functioning of the market and often only deal with the shortcomings of the market in an ad-hoc and incremental fashion. In these contexts, the market mechanism remains the primary source of information exchange between market participants.

In the welfare state literature, typology labels that correspond to the market-led model are prolific, including liberal (Esping-Andersen, 1990; Castles and Mitchell, 1993), Anglo-Saxon (Leibfried, 1992; Ferrera, 1996), protestant liberal (Siaroff, 1994), British (Bonoli, 1997), and basic security (Korpi and Palme, 1998). According to different analyses undertaken by various researchers, countries that are considered to rely primarily on market-led approaches to coordination have included Australia (Esping-Andersen, 1990; Leibfried, 1992; Siaroff, 1994), Canada (Esping-Andersen, 1990; Siaroff, 1994), the United States (Esping-Andersen, 1990; Leibfried, 1992; Castles and Mitchell, 1993; Siaroff, 1994), New Zealand (Esping-Andersen, 1990; Leibfried, 1992; Siaroff, 1994), Ireland (Esping-Andersen, 1990; Castles and Mitchell, 1993; Ferrera, 1996), the United Kingdom (Esping-Andersen, 1990; Leibfried, 1992; Siaroff, 1994; Ferrera, 1996), and Japan and Switzerland (Castles and Mitchell, 1993).

### ***A state-dominated regime***

Countries that are more closely aligned with a *state-led* or *developmental-based* approach feature strong state involvement in the coordination of economic, social, cultural, and political activity. Labor and product markets in these countries are characterized by state intervention designed to promote faster economic growth, for example by emphasizing industry- and export-based policies that are predicated on ambitions to accelerate the climb up the international value-added chain of production – from labor-intensive to capital-intensive and technology-intensive production. This typology has been linked to the so-called Asian tigers and some other Asian economies (e.g., Green, 2006). In China, for example, the state has attempted to use interventions extensively in an effort to promote faster economic growth (Carson, 1998).

Emphasis is placed on skills-related policies that are both supply- and demand-side oriented but are coordinated primarily by the state to meet centrally defined objectives. The concern of imperfect information held by decision-makers to set the course is exacerbated by the fact that few if any market participants, either on the labor or production side, are involved or have any say, which increases the risk of mismanaging the economy, including who gets access to learning and what is learned. Other risks associated with a strong state-dominated regime include the state having too much power to govern over its subjects, namely the potential for the brutalization of civil society, individual freedoms, and other democratic principles.

At its extreme, strong centralised control over capital and other interests may be seen as a stepping stone for ideological control over a wider spectrum of human thought and activity. In this context, education and adult learning might be used as a tool by the state to centrally impose the ideology of those in power and thus directly control the thought patterns of the citizenry as well as their collective memory, and thus their capacity to explore and debate alternative ideas.

### ***A stakeholder-dominated regime***

Stakeholder-led coordination is linked to the concept of *corporatism* – a term used to refer to groupings that form on the basis of common interests and engage in deal-making. These corporations or bodies cooperate via non-market-based coordination in order to achieve superior outcomes than would otherwise be the case if they did not cooperate. Their coordination activities, however, do not necessarily take into account the interests of other groups or all who are impacted by their interaction. It creates large insider-outsider divisions in these countries. Stakeholder-led approaches tend to coordinate at the sector- or industry-wide levels rather than at the economy-wide level. In the case of Japan, coordination can occur at the conglomerate level, which is made

possible via elaborate and complex vertical and horizontal cross-shareholding arrangements. It is important that while a high degree of non-market coordination may be present, market coordination of economic activity remains an important feature in such models.

Countries that are more closely aligned with a *stakeholder-led* approach tend to feature labor markets that are characterized by non-market based institutional relations between employers, employees, and in some cases the state, and that are designed to *coordinate* labor market functioning including elements relevant to education and training. In some cases, the negotiated settlements among the partners include aspects of skill formation in formal and non-formal settings, as well as skill use in terms of work, organizational practices, and technology-sharing. In particular, countries that are more closely aligned with this model have had a tendency to emphasize a high degree of non-market coordination of skill supply and skill demand. A key concern to this approach is the formation of rigidities that are unresponsive to market needs as well as the imperfect information held by stakeholders regarding effective and strategic decision making. However, evidence suggests that some countries under this rubric feature dynamic institutional set-ups that adapt to change much more effectively than others.

In these countries, access to benefits from social expenditures tends to depend on work status and occupation category (Korpi and Palme, 1998) as well as on contributions that are proportional to income (Esping-Andersen, 1990). Other tendencies include relatively high social spending as a percentage of GDP (Bonoli, 1997) but little use of equalizing instruments in social policy (Castles and Mitchell, 1993). As a consequence, those who do not belong to specific bodies can stand to benefit little from social expenditures, and thus inequity can remain high. This is because the most powerful stakeholders have a tendency to agree on non-market solutions and particularly social transfers that favor their interests and not necessarily the interests of all.

Typology labels that correspond to this model are also prolific, including conservative (Esping-Andersen, 1990; Castles and Mitchell, 1993), Bismarkian (Leibfried, 1992; Ferrera, 1996), advanced Christian-democratic (Siaroff, 1994), continental (Bonoli, 1997), and corporatist (Korpi and Palme, 1998). According to different analyses undertaken by various researchers, countries that feature a high degree of stakeholder-led coordination have included Italy (Esping-Andersen, 1990; Castles and Mitchell, 1993), Japan (Esping-Andersen, 1990), France (Esping-Andersen, 1990; Siaroff, 1994; Ferrera, 1996), Germany (Esping-Andersen, 1990; Leibfried, 1992; Castles and Mitchell, 1993; Siaroff, 1994; Ferrera, 1996), Finland (Esping-Andersen, 1990), Switzerland (Esping-Andersen, 1990; Ferrera, 1996), Austria (Leibfried, 1992; Siaroff, 1994; Ferrera, 1996), the Netherlands (Castles and Mitchell, 1993; Siaroff, 1994; Ferrera, 1996), and Belgium and Luxembourg (Siaroff, 1994; Ferrera, 1996).

***A balanced approach: state-led with high degree of stakeholder involvement***

Some countries also feature a high degree of stakeholder coordination but the state plays a much stronger role in society-wide coordination, particularly with regard to the level and distribution of social spending. Again, while elaborate forms of non-market coordination are present in the economy, these are largely designed to complement market-based coordination, although there are situations in which non-market solutions substitute or suppress market-based coordination altogether for a specific range of activities. Similar to the stakeholder model, social expenditures tend to be relatively high, but an important difference is that social benefits tend to be universal because equalizing instruments in social policy are used extensively (Esping-Andersen; 1990;

Castles and Mitchell, 1993). Other tendencies include a high degree of social protection that is seen to be a citizenship right, and benefits linked to social risks are generous (Ferrera, 1996). In particular, family benefits are relatively high (Siaroff, 1994). There is a strong reliance on financing of social expenditures via fiscal revenues rather than through contributions (Ferrera, 1996; Bonoli, 1997). An important outcome that seems to emerge in such countries is high and widely distributed levels of investment in learning across the entire lifespan (see example in the next section).

Typology labels that correspond to this model are prolific as well, including social-democratic (Esping-Andersen, 1990), Scandinavian (Leibfried, 1992; Ferrera, 1996), non-right hegemony (Castles and Mitchell, 1993), protestant social-democratic (Siaroff, 1994), Nordic (Bonoli, 1997), and encompassing (Korpi and Palme, 1998). According to different analyses undertaken by various researchers, countries that feature this approach have included Austria (Esping-Andersen, 1990); Belgium (Esping-Andersen, 1990; Castles and Mitchell, 1993); the Netherlands (Esping-Andersen, 1990); Denmark, Norway, and Sweden (Esping-Andersen, 1990; Leibfried, 1992; Castles and Mitchell, 1993; Siaroff, 1994; Ferrera, 1996); and Finland (Leibfried, 1992; Siaroff, 1994; Ferrera, 1996).

Southern European countries form a separate grouping of countries that are related because these also feature elements of stakeholder coordination and a promise of a high degree of state involvement in social spending, but this tends to be in the form of semi-institutionalized, fragmented arrangements with a lack of execution of stated strategies and policies. In some cases, benefits and social protection guarantees can in reality be linked to work position and contributions as in the stakeholder model above (see Leibfried, 1992; Ferrera, 1996). Countries classified by research in this latter typology have included Spain, Portugal, Greece, Italy, and in some cases France.

Not all countries are necessarily consistently classified in one typology since some do not neatly correspond to an ideal-type. For example, Austria, the Netherlands, and Finland are listed under two ideal types. The typology they are classified in often depends on which social or welfare features are emphasized in a given analysis.

## **THE LINK BETWEEN ALTERNATIVE REGIMES AND THE INCIDENCE, VOLUME, AND DISTRIBUTION OF ADULT LEARNING**

The above discussion highlights some of the implications of neoliberalism and alternative regimes of coordination on learning and its outcomes from a general perspective. The following links the discussion to a specific example using comparative data on adult learning patterns. Specifically, an overview of the incidence, volume, and distribution of adult learning is provided in an international comparative perspective. Together, these measures provide a good indication of the total adult learning effort in different countries. Both formal and non-formal types of organized learning undertaken by adults between the ages of 25 and 64 are included in the analysis. Formal adult learning involves organized learning activities that typically lead to recognized qualifications, whereas non-formal adult learning involves organized learning activities that do not necessarily lead to recognized qualifications.

### ***The incidence of adult learning***

Results from the EU Adult Education Survey confirm that adult learning effort varies substantially across countries. Some countries feature a much higher incidence of participation in different forms of organized adult learning than others. Levels of overall participation can be grouped into five groups as follows (see Figure 1):

- Group 1: Countries with overall participation rates **exceeding 50%**: Sweden, New Zealand, Switzerland, Finland, and Norway.
- Group 2: Countries with overall participation rates that fall into the **40-50% range**: United Kingdom, United States, Germany, the Netherlands, Denmark, Slovak Republic, Canada, Estonia, Austria, Slovenia, and Belgium.
- Group 3: Countries with overall participation rates between **30-40%**: Australia, Czech Republic, France, and Spain.
- Group 4: Countries with overall participation rates between **20-30%**: Korea, Ireland, Portugal, Italy, and Poland.
- Group 5: Countries with overall participation rates **less than 20%**: Hungary and Greece.

With traditionally advanced adult learning systems, the Nordic countries, including Finland, Sweden, and Denmark reveal comparatively high participation rates in organized forms of adult learning. These countries correspond closely to the balanced approach to coordinating economic and educational activity introduced above, but countries that correspond closely to the market and stakeholder-based approaches, e.g. the UK, the US, and Germany, also feature comparatively high rates of participation. This highlights that different approaches to coordination can lead to high levels of participation in learning activity.

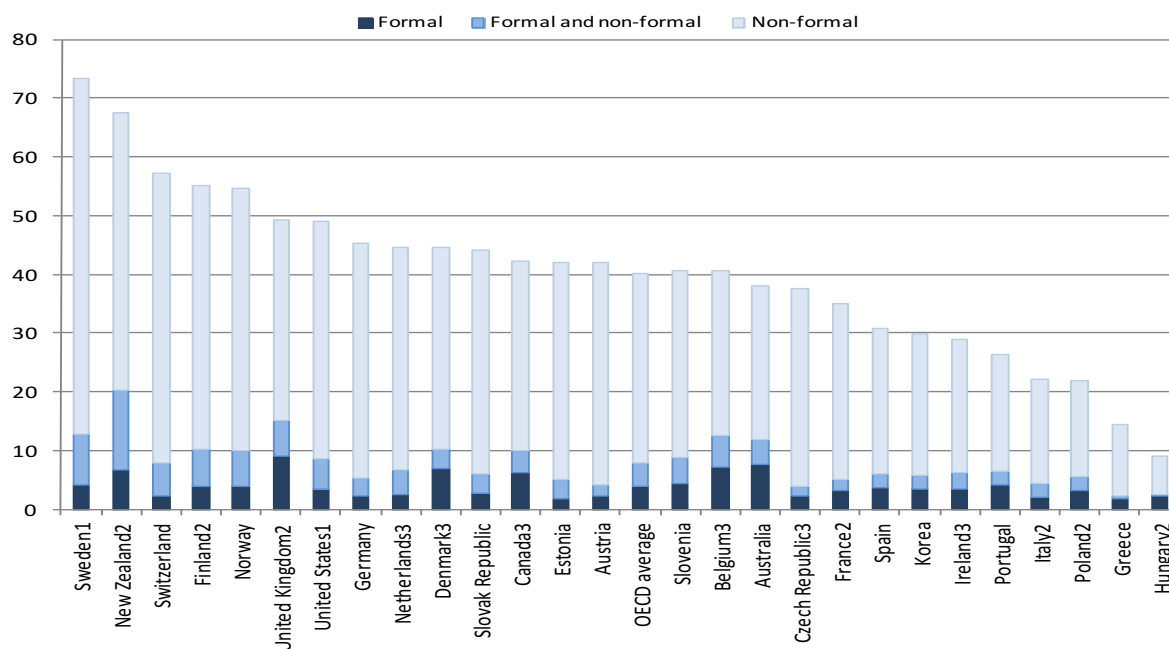
### ***The volume of adult learning***

A more comprehensive measure of adult learning involves the volume of organized learning activities. This measure helps to reveal that countries with a more balanced approach invest more intensely. Figure 2 shows that in the Nordic countries, adults undertake on average about 1.5 to 2 Full-Time Equivalent (FTE) years of organized learning for both job- and non-job-related reasons. Austria, Belgium, and Germany also feature comparatively high volumes of learning activity among adults aged 25 to 64. However, in many countries for which data is available, organized adult learning remains marginal. In Greece and Romania, for example, the corresponding figure is approximately less than one-half year.

### ***The distribution of adult learning***

Thus far only the average adult has been considered. In reality, the volume of organized adult learning is not equally distributed across the population. The distribution is dependent on a variety of socio-demographic characteristics, not least the extent of education that adults have already attained. Figure 3 shows a clear pattern, namely, adults who already have high levels of education engage the most in continued learning over the lifespan. In all countries, adults with at least some tertiary education are expected to undertake much more organized adult learning beyond the age of 25 compared to adults who have not attained upper secondary education. Notably, the Nordic countries stand out in terms of succeeding to extend learning opportunities over the entire lifespan, even to adults with the lowest levels of education.

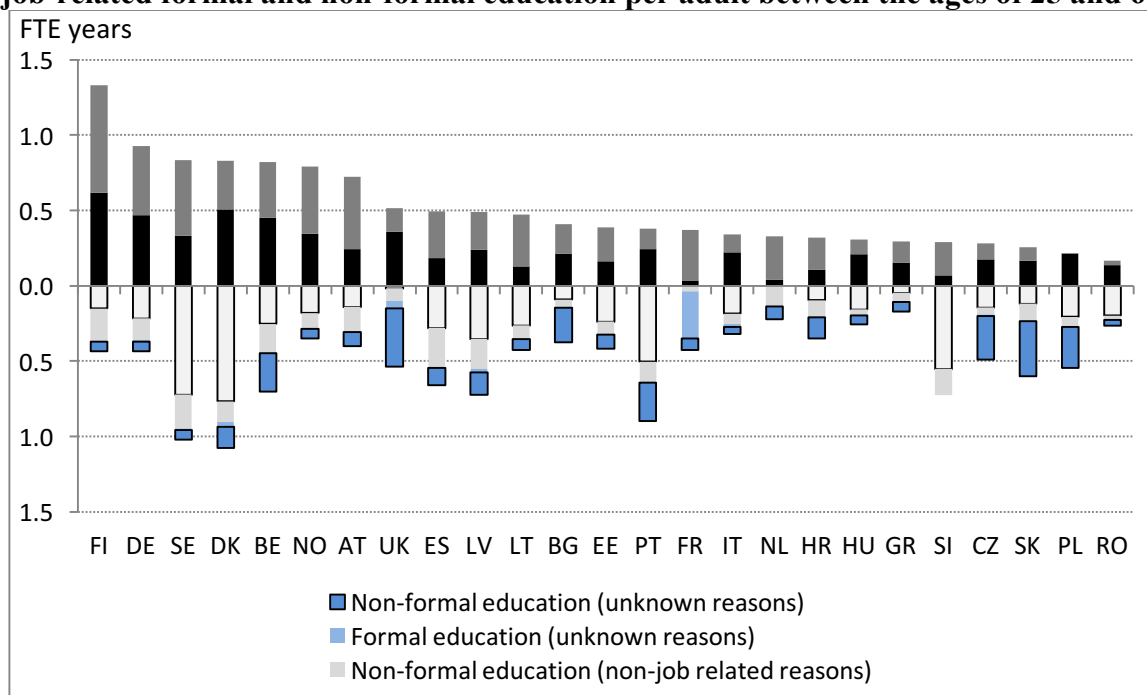
**Figure 1. Percent of adults aged 25 to 65 who participated in formal or non-formal adult learning in last 12 months**



Notes: 1. Year of reference 2005; 2. Year of reference 2006; 3. Year of reference 2008.  
Source: OECD, 2011d, Chart C5.4.

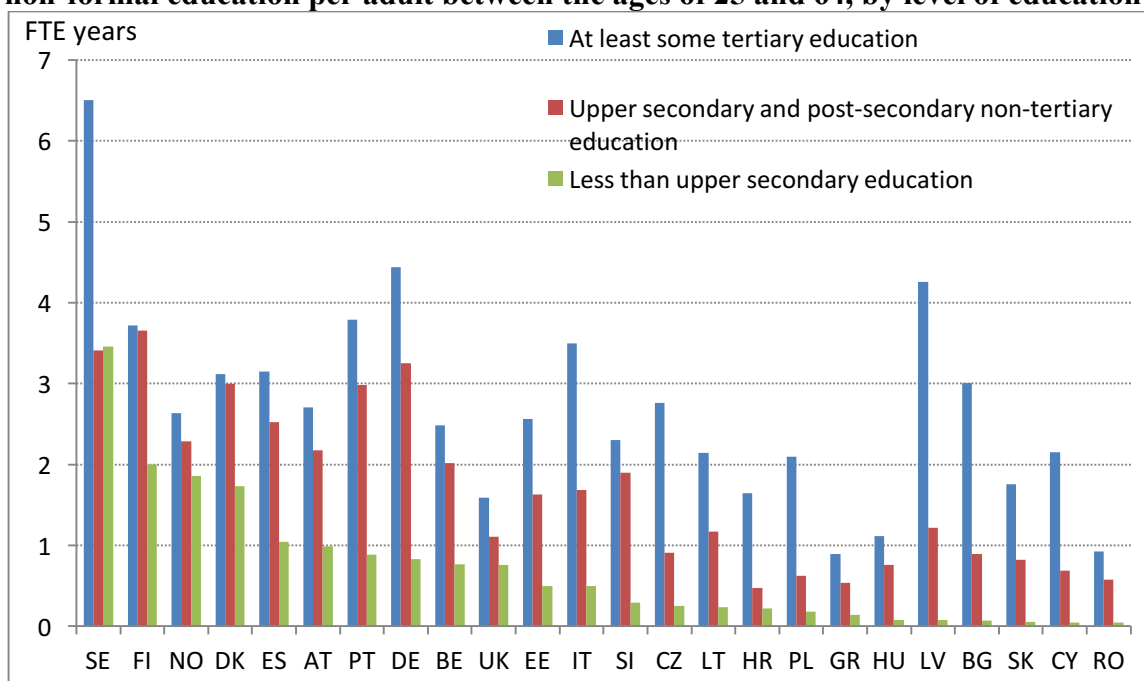


**Figure 2. Expected cumulative number of full-time equivalent (FTE) years of job- and non-job-related formal and non-formal education per adult between the ages of 25 and 64**



Source: EU Adult Education Survey, 2005-2008.

**Figure 3. Expected cumulative number of full-time equivalent (FTE) years of formal and non-formal education per adult between the ages of 25 and 64, by level of education**



Source: EU Adult Education Survey, 2005-2008.

## CONCLUSION

In summary, the incidence, volume, and distribution of organized adult learning varies substantially. Large differences between countries at different levels of economic development are perhaps not surprising, but marked differences between highly-developed countries suggests that major differences exist in learning cultures, learning opportunities at work, and not least, public policies, institutions, and other structures relevant to the adult learning.

The perspective developed in this paper suggests that sustaining high and widely distributed levels of investment in the development and maintenance of competencies over the lifespan of individuals, which help to secure good economic and social outcomes, is to a large extent interconnected with a high level of non-market coordination via institutional arrangements and/or specific public policy measures.

Still, there appears to be more than one way to attaining high levels of participation in organized forms of adult learning. One way is the coordinated stakeholder model with and without state involvement to compensate for shortcomings of the market model. This can involve elaborate non-market based solutions through negotiations between the major partners (employer, unions) in order to generate an adequate supply of learning opportunities. Depending on countries, coordination can be at either at conglomerate-, sector-, or economy-wide levels, and in some cases may be framed and conditioned by strong state involvement. Another way is through ad-hoc interventions designed to correct for shortcomings of the market while avoiding elaborate non-market based solutions that involve complex stakeholder relationships.

While alternative approaches can succeed in sustaining high levels of investment in learning over the lifespan, the data seem to indicate that access to learning opportunities for the lowest-educated is most feasible among countries that follow a balanced approach to coordination, namely, one that involves stakeholder arrangements combined with strong state support. In conclusion, specific types of elaborate non-market interventions seem to be linked not only to high levels of participation in adult learning but also to a more equitable distribution of opportunities.

## REFERENCES

- Arts, W., and Gelissen, J. (2002). Three worlds of welfare capitalism or more? A state-of-the-art report, *Journal of European Social Policy*, volume 12, number 2, pp. 137-158.
- Bascia, N., Cumming, A., Datnow, A., Leithwood K., and Livingstone, D. (eds) (2005). *International Handbook of Educational Policy*. Dordrecht: Springer.
- Bonoli, G. (1997). Classifying welfare states: a two-dimension approach, *Journal of Social Policy*, volume 26, number 3, pp. 351–372.
- Castles, F.G., and Mitchell, D. (1993). Worlds of welfare and families of nations. In F.G. Castles (ed.), *Families of Nations: Patterns of Public Policy in Western Democracies*. Aldershot: Dartmouth Publishing Company.
- Cohen, J.N., and Centeno, M. (2006). Neoliberalism and Patterns of Economic Performance, *Annals of the American Academy of Political and Social Science*, volume 606, number 1, pp. 32-67.
- Committee on Prospering in the Global Economy of the 21st Century (GPGE) (2007). *Rising Above the Gathering Storm: Energizing and Employing America for a Brighter Economic Future*. Washington, DC: National Academy Press, [www.nap.edu/catalog/11463.html](http://www.nap.edu/catalog/11463.html)

- Carson, R. (1998). *Comparative Economic Systems, Volume II: Transition and Capitalist Alternatives*, Second Edition. New York: M.E. Sharpe.
- Chossudovsky, M. (1997). *The Globalization of Poverty: Impacts of IMF and World Bank Reforms*. London: Zed Books.
- Danish Government (2006). Progress, innovation and cohesion: Strategy for Denmark in the global economy – summary. Copenhagen: Danish Government.  
[www.globalisering.dk/multimedia/Pixi\\_UK\\_web\\_endelig1.pdf](http://www.globalisering.dk/multimedia/Pixi_UK_web_endelig1.pdf) (Accessed March 2007).
- Davies, B., and Bansel, P. (2007). Neoliberalism and education, *International Journal of Qualitative Studies in Education*, volume 20, number 3, pp.247-259.
- dins, R., Rubenson, K., and Milana, M. (2006). *Unequal Chances to Participate in Adult Learning: International Perspectives*. Paris: UNESCO.
- Desjardins, R., and Rubenson, K. (2011). An analysis of mismatch using direct measures of skill, *OECD Education Working Papers*, No. 63. Paris: OECD.
- European Commission (2011). *Adult in Formal Education: Policies and Practices in Europe*. Brussels: Eurydice.
- Esping-Andersen, G. (1990). *The Three Worlds of Welfare Capitalism*. Oxford: Polity Press.
- Ferrera, M. (1996). The “Southern” model of welfare in social Europe, *Journal of European Social Policy*, volume 6, number 1, pp. 17–37.
- Gewirtz, S. (2002). *The Managerial School: Post-Welfarism and Social Justice in Education*. New York: Routledge.
- Green, A. (2006). East Asian skill formation systems and the challenge of globalization, *Journal of Education and Work*, volume 12, number 3, pp. 253-279.
- Gurria, A. (2008). Competition brings prosperity. Send Print Speech by Angel Gurría, OECD Secretary-General at the 100th Meeting of the Competition Committee. OECD Conference Centre, Paris, 20 February 2008.  
[http://www.oecd.org/document/3/0,3343,en\\_2649\\_34685\\_40127427\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/3/0,3343,en_2649_34685_40127427_1_1_1_1,00.html)  
 (downloaded March 25, 2008)
- Hall, P.A., and Soskice, D.W. (eds) (2001). *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press.
- Hursh, D. (2005). Neo-liberalism, markets and accountability: Transforming education and undermining democracy in the United States and England, *Policy Futures in Education*, volume 3, number 1, pp. 3-15.
- Korpi, W., and Palme, J. (1998). The paradox of redistribution and strategies of equality: Welfare state institutions, inequality and poverty in the Western countries, *American Sociological Review*, volume 63, number 5, pp. 661–687.
- Lauder, H., Brown, P., and Ashton, D. (2008). Globalization, skill formation and the varieties of capitalism approach, *New Political Economy*, volume 13, number 1, pp. 19-35.
- Leibfried, S. (1992). Towards a European welfare state? On Integrating Poverty Regimes into the European Community. In Z. Ferge, and J.E. Kolberg (eds), *Social Policy in a Changing Europe*. Frankfurt am Main: Campus Verlag.
- Lucas, R.E. (1988). On the mechanics of economic development, *Journal of Monetary Economics*, volume 22, number 1, pp. 3–42.
- McMahon, W. (1999). *Education and Development: Measuring the Social Benefits*. Oxford: Oxford University Press.
- Mitchell, K. (2003). Education the national citizen in neoliberal times: from the multicultural self to the strategic cosmopolitan, *Transactions of the Institute of British Geographers*, volume 28, number 4, pp. 387–403.

- Moutsios, S. (2008). The decline of democratic politics in 'knowledge societies' and the initiatives for citizenship education . In M. Peters (ed.), *Global Citizenship Education: Philosophy, Theory, Pedagogy*. Rotterdam: Sense Publishes.
- National Commission on Excellence in Education (NCEE) (1983). A Nation at Risk: The Importance of Educational Reform, [www.ed.gov/pubs/NatAtRiskJindex.html](http://www.ed.gov/pubs/NatAtRiskJindex.html)
- National Research Council (NRC) (1996). *National Science Education Standards*. Washington, DC: National Academy Press.
- OECD (2011). *Divided We Stand: Why Inequality Keeps Rising*. Paris: Author.
- OECD (2010). *Education at a Glance*. Paris: Author.
- Olszen, M. (2000). Ethical liberalism, education and the 'New Right', *Journal of Education Policy*, volume 15, number 5, pp. 481-508.
- Pierson, P. (1994). *Dismantling the Welfare State? Reagan, Thatcher, and the Politics of Retrenchment*. Cambridge: Cambridge University Press.
- Psacharopoulos, G.P. (1973). *Returns to Education: An International Comparison*. Elsevier : Amsterdam.
- Psacharopoulos, G.P. (1981). Returns to education: an updated international comparison, *Comparative Education*, volume 17, pp. 321–341.
- Psacharopoulos, G.P. (1985). Returns to education: a further international update and implications, *Journal of Human Resources*, volume 20, pp. 583–604.
- Psacharopoulos, G. P. (2006) The value of investment in education: theory, evidence and policy, *Journal of Education Finance*, volume 32, pp. 113-126.
- Rodrik, D. (1996). Understanding Economic Policy Reform, *Journal of Economic Literature*, volume 34, number 1, pp. 9–41.
- Roeber, E.D. (1999). Standards initiatives and American educational reform. In G.J. Cizek (ed.), *Handbook of Educational Policy* (pp. 152-183). London: Academic Press.
- Romer, P. (1990) Endogenous technological change, *Journal of Political Economy*, volume 98, number 5, pp. S71–S102.
- Rubenson, K. (2006). Constructing the lifelong learning paradigm: Competing visions from the OECD and UNESCO. In S. Ehlers (ed.), *Milestones: Toward Lifelong Learning Systems* (pp. 151-170). Copenhagen: Danish University of Education Press.
- Saar, E. (in press). Lifelong learning systems: overview and extension of different typologies. In E. Saar, O.B. Ure, and J. Holford (eds), *Lifelong Learning in Europe: National Patterns and Challenges*. Cheltenham: Edward Elgar.
- Shackman, G., Ya-Lin, L., and Wang, X. (2005). Brief review of world economic trends. Available at <http://gsociology.icaap.org/report/econ/econsum.html>
- Siaroff, A. (1994). Work, Welfare and Gender Equality: a New Typology. In Sainsbury, D. (ed.), *Gendering Welfare States* (pp. 82–100). London: Sage.
- Thelen, H. (2004). *How Institutions Evolve: The Political Economy of Skills in Germany, Britain, the United States and Japan*. New York: Cambridge University Press.
- Timonen, V. (2003). *Restructuring the Welfare State: Globalization and Social Policy Reform in Finland and Sweden*. Cheltenham: Edward Elgar.
- Wells, A.S., and Holme, J.J. (2005). Marketization in education: Looking back with a stronger critique. In N. Bascia, , A. Cumming, A. Datnow, and K. Leithwood. D. Livingstone (eds), *International Handbook of Educational Policy* (pp. 19-51). Dordrecht: Springer.
- UNESCO (2008). *Adult Learning and Education National report for Poland, prepared for CONFINTTEAVI*, Paris.