

**The OECD, Neoliberalism, and the Learning City:  
Promoting Human Capital in the Guise of Lifelong Learning**

J. Scott MacPhail

Mount Saint Vincent University

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## **Dedication**

This thesis is dedicated to Herbie, Martin, and my 21-speed, Giant mountain bike:

“It’s the not final destination, it’s the journey”.

## **Abstract**

In this thesis I investigate the concept of the learning city; a concept which has attracted the attention of a growing number of adult education theorists. Many of these theorists expound the virtues of the learning city, but it is my claim that they do so without any clear sense of how or why the notion was first postulated. I believe the origins and underlying purpose of the concept of the learning city is largely unexamined or taken for granted by its most avid promoters. In particular, its chief advocates rarely locate the origins and development of the learning city in the neoliberal policy discourses that transpired in the OECD and the EU during the 1970s to the 1990s. In this thesis I conduct a close examination of these policy discourses which reveal that the learning city was initially formulated and subsequently promoted to support a neoliberal policy agenda aimed at fostering unfettered global economic development.

I argue that the notion of the learning city, linked as it has been to OECD policy and the neoliberal agenda, has many drawbacks. Chief amongst these is the ways the OECD notion of the learning city further exacerbates existing global inequalities amongst cities. The neoliberal learning city competes unfairly with urban contexts in the developing world. Rather than promoting equitable social development, the OECD learning city strives to out compete all rivals (including those cities woefully incapable of playing the globalization game).

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# Chapter 1

## OECD and EU's Use of the Learning City to Foster

### Conditions of Neoliberalism

The concept of the learning city has attracted the attention of a growing number of adult education theorists. Longworth (1999), Landry and Matarasso (2001), Farris (2006), and others support the notion of the learning city as a positive way for a city to become more economically competitive in our globalized world. These proponents assert that the purpose of the learning city is to help the city become economically stronger by improving people's capacities through lifelong learning. Despite the growing influence of the notion of the learning city, according to Plumb, Leverman, and Mcgray (2007), "the concept [of the learning city] has yet to receive sufficient critical theorization" (p. 37). For example, the origins and underlying purpose of the concept of the learning city is largely unexamined or taken for granted by its most avid promoters. In particular, its chief advocates rarely locate the origins and development of the learning city in the neoliberal policy discourses that transpired in the OECD and the EU during the 1970s to 1990s. A close examination of these policy discourses reveals that the learning city was initially formulated and subsequently promoted to support a neoliberal policy agenda aimed at fostering unfettered global economic development.

The focus of my research is to address problems posed by the OECD supported notion of the learning city, problems which include; the learning city's use of lifelong learning as a form of human capital, the manner in which competitive notions of

development are used with critical impunity, and the potential for the learning city to be a tool for a modern form of imperialism. I argue that the OECD shaped the concept of the learning city in ways that promote the interest of those who profit from rampant economic globalization and disadvantage vast segments of the world's population, creating unfair socio-economic development. The thesis suggests that the notion of the learning city needs to be reconceptualized in a way that separates it from its neoliberal trappings. The learning city, in effect, must be reworked so that it can better support the development of sustainable, equitable, and just cities. An example of how this new vision of the learning city might look is articulated by leaders of the Shikshantar Institute located in Udiapur, India.

#### *Why Investigate the Learning City Concept?*

The National Geographic's *Almanac of Geography* (2005) describes cities as, "crucibles of social change, cultural transformation, and economic innovation" (p.295). As we experience the first years of a new millennium, cities are gaining even greater primacy. According to the United Nations Population Fund (2007), "by 2008, for the first time, more than half of the globe's population, 3.3 billion people, will be living in towns and cities" (p.6). Hidden in these statistics is the dark truth that at least one billion people live in urban slums. With this in mind, we are advised by the Shikshantar Institute (1999) that:

At the dawn of the 21<sup>st</sup> century, the world finds itself in the midst of dramatic global transformations in which cities around the world are the focal points of change. The issues and concerns facing cities today are unique and must be addressed on an appropriate scale (p.3).

When I initially encountered the idea of a learning city, I expected it to address ‘issues and concerns’ now faced by the modern city because it was being discussed by adult educators as a means to bring about social cohesion. I thought of it as a positive initiative that could help adult educators understand more clearly the ways adult learning might be supported in an urban context. The learning city promised to improve the lives of all who live in an urban environment.

However, two things happened which caused me to develop some serious reservations about the concept of the learning city. First, as I explored the concept, I realized that, for many of its promoters, the learning city intended to refocus education on economic priorities rather than priorities like social justice or sustainable development. Second, I discovered that, for the most part, the notion of the learning city is intended to support the development of a very narrow range of cities in capitalist First World countries rather than cities in the developing world. I came to realize that, when considered in a global context, the learning city may not be as positive as its advocates (with a much more local focus) made it out to be. Rather, the learning city began to appear to be a concept with the potential of further aggravating the plight of over one billion people living in slums throughout the world.

As I explored the literature on the learning city, I could not find a single documented history detailing where and how the concept of the learning city originated. Many theorists expound the virtues of the learning city without any clear sense of how or why the notion was first postulated. This might not be a problem if, in taking up the concept of the learning city, new proponents were to have abandoned earlier motives for its development. For the most part, however, this does not seem to have been the case. In

taking up the notion, most of its contemporary advocates have unwittingly in some instances or quite deliberately in others retained its original meaning and purpose. Recovering this unspoken history of the concept has become the principle challenge of this thesis. In the following, I investigate the history of the concept of the learning city from its earliest formulations in policy discourses of the OECD, and then as a more robust policy initiative of the OECD and EU. Rather than being simply a folksy good concept developed by well intentioned social advocates, I argue that, from the outset, the learning city was an ideological policy initiative of the OECD as part of a broader neoliberal policy initiative. As such, my account of the learning city concept is built on an understanding the OECD and its involvement with neoliberalism.

### *Background*

For the most part, urban governance throughout the world is deeply influenced by dominant theories of urban growth and development. According to urban geographer, David Harvey (2005), currently, the ideological discourse of neoliberalism is having far ranging impact on the ways urban governments are running their cities. Harvey (2005) depicts neoliberalism as, “a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade” (p.2). Neoliberal social policies have taken the place of earlier Keynesian social policies resulting in a shift from the state taking care of individuals through the mechanisms like social welfare, to the state placing the onus on individuals to take care of themselves.

According to Harvey (2005), the aim of neoliberal policies is to deepen the control of increasingly powerful global elite on development and governance. Within this broader neoliberal framework, the governance of cities is increasingly, “construed as an entrepreneurial rather than a social democratic or even managerial entity” (p. 47). The consolidation of power in the hands of ever fewer extremely powerful people and corporations is leading to a restructuring of how we think about city governance.

Presently, there are several international agencies that actively promote neoliberal strategies and policies. Among the most prominent of these are the World Bank, the International Monetary Fund (IMF), the Organization for Economic Cooperation and Development (OECD), and the European Union (EU). Of these organizations, the OECD and the EU most openly and actively focus on adult education as a means to achieve neoliberal goals. As such, the idea of lifelong learning has become one the key influences of the OECD’s and EU’s education policies. As part of this larger discourse on lifelong learning, in recent decades, the OECD and the EU developed and promoted the idea of the learning city.

Most contemporary advocates of the learning city, such as Longworth and Faris, promote notions of the learning city deeply concordant with the OECD vision of what the learning is and how it should be promoted. Rather than engaging critically with the assumptions of what the learning city should be, many advocates have simply adopted the rhetoric of the OECD and have promoted notions of the learning city deeply supportive of neoliberal social policies. While I argue that there might not be anything intrinsically wrong about the notion of the learning city, linked as it has been to OECD policy and the neoliberal agenda, the learning city has many drawbacks. Chief amongst these is the

ways the OECD notion of the learning city further exacerbates existing global inequalities amongst cities. The neoliberal learning city competes unfairly with urban contexts in the Third World. Rather than promoting equitable social development, the OECD learning city strives to out compete all rivals (including those cities woefully incapable of playing the globalization game).

I assert that the OECD is not the only proponent of the learning city. In Udaipur, India, the Shikshantar Institute has taken up the learning city idea with an approach that challenges the neoliberal view of the OECD. Members of the Shikshantar institute do not find the First World approach is best for India. Instead, they propose using education as way to improve the quality of life for all citizens. The Shikshantar Institute advocates “locating more informal, dynamic learning spaces such as extended families, peer groups, work environments, professional associations, communication media, religious centers, natural recreation spots, and other socio-cultural meeting places” (Udaipur as a learning city, 1999) rather than fostering learning in institutions. For the Shikshantar institute, education is not limited to the creation of economic capital but is being used to build a more just society through civic engagement.

## Chapter 2

### **Roots of the OECD – From Post WWII European Reconstruction to the Decline of the Keynesian Welfare State**

To provide a clear sense of how the notion of the learning city was first formed in neoliberal policy discourses of the OECD, it is important, first, to describe the OECD and its own historical formulation. Henry, Lingard, Rizvi, and Taylor (2001) state that the OECD, “is, simultaneously, a geographic entity, an organizational structure, a policy-making forum, a network of policy makers, researchers and consultants, and a sphere of influence” (p.7). As such, the OECD is a complex supranational organization whose influence, though sometimes veiled, extends beyond the borders of the nations who form its membership. The origins of the OECD can be traced back to the Organization of European Economic Co-operation (OEEC), which had its ferment in post-World War II era’s embedded liberalism and the development of the Keynesian welfare state.

#### **From OEEC to OECD: 1945-1961**

##### *Embedded Liberalism and the Welfare State*

Embedded liberalism grew out of the ashes of post-World War II Europe, a setting that Judt (2005) describes as offering “a prospect of utter misery and desolation” (p.13). Prior to WWII, Europe suffered from a lack of coordinated socio-economic planning. Judt explains, there was no “comprehensive welfare system” (p.73) and reforms were unsystematic. Led by John Milton Keynes, planners of post WWII Europe had a shared, “belief in an enhanced role for the state in social and economic affairs” (p.69). Keynes’

notion of imbedded liberalism was slightly different from classical liberalism that has supported capitalist development throughout the 19<sup>th</sup> and early 20<sup>th</sup> centuries without being intensely involved in providing goods or services for citizens. In embedded liberalism, governments were seen to play a key role in the economy by creating a more comprehensive social welfare system designed to offset the negative effects of capitalist development in order to ensure the best social conditions for further development. As Judt describes, “there was a broad consensus that the physical and moral condition of the citizenry was a matter of common interest and therefore part of the responsibility of the state” (p.72).

Ayers (2004), drawing on Korten (1999), describes embedded liberalism as, “an international economic management system, in which government regulation, social welfare systems and full employment policies were considered an acceptable compliment to essentially still market-based fundamentals” (p.12). And it was these market-based fundamentals that were held by the United States to be of great significance when they formulated plans for the reconstruction of Europe following WWII. Having increasingly become a leading world economic and military power throughout the first half of the 20<sup>th</sup> century, by the end of WWII the US played a significant role in determining the conditions of post WWII economies. To avoid conditions which created the ‘Great Depression’ of the 1930s, one of the principal American concerns was to ensure conditions that would allow for their own economy to grow.

Americans had a great stake in the reconstruction of Europe. George and Sabelli (1994) write that as early as 1941, when US President Roosevelt met with Prime Minister Churchill off Newfoundland, he believed, “after the war free trade would be needed to

guarantee the peace” and that “peace would require equality among peoples which would in turn imply free trade among them” (p.23). In effect, the American position was that social well-being was predicated on the existence of a strong economy. The Americans were aware that the amount of manufacturing that they were doing during the war could not be sustained. The end of the war meant that the demand for their military products would end. They were also aware that most nations, especially those in Europe, would not have the financial resources to buy American goods nor the capacity to manufacture goods for the American consumer. The Americans were concerned that the capital they had accumulated during the war might no longer be put to profitable use. Only through the rapid reconstruction of Europe could America avoid the worst consequences of over-accumulation.

#### *The Marshall Plan and the OEEC*

Consistent with the values of imbedded liberalism, American introduced a foreign policy known as the Truman Doctrine, which, as LeFeber (1991) writes was, “an ideological shield behind which the United States marched to rebuild the Western political-economic system and counter the radical left” (p.58). From the Truman Doctrine grew the Marshall Plan, whose main objective, as Chua (2003) writes, was to, “promote capitalism and contain communism” (p.20). Spring (1998a) contends that the, “Marshall Plan propaganda stressed the importance of governments accepting the responsibility to promote economic growth and, consequently, to organize systems to meet economic needs” (P.93). These systems, as the Americans would make certain, were in harmony with their own economic and political goals.

According to Wolfe (2007), “the Marshall Plan was not in fact a plan, but an invitation to the European countries to tell the United States what needed to be done to assist postwar reconstruction, implying that aid would be contingent on their ability to work together” (p.1). The Marshall Plan provided a mechanism for European countries not aligned with the Soviet Union to work together as a unified body. To help promote the Marshall Plan, and to oversee its dispersal of funds, an agency called the Organisation for European Economic Co-operation (OEEC) was instituted in 1948. As Chua (2004) observes, “after the Second World War, and consciously to promote capitalism and contain communism, America drove the creation of the World Bank, the International Monetary Fund (IMF), The Organization for Economic Cooperation and Development, and the free trade organization, GATT” (p.20).

Woodward (2004) suggests that the OEEC, “is widely credited with repairing the European trading system, establishing in 1950 the European Payments Union (EPU) which provided credit facilities to fund European trade, dismantling quantitative trade restrictions and preventing backsliding into the protectionist policies that had blighted the 1930s” (p.114). The OEEC pulled together the capitalist nations of Europe in new forums. As Wolfe (2007) writes, “during the 1950s, the OEEC code of intra-European commercial conduct was supplemented by the introduction of other codes of regional economic conduct dealing with capital movement, shipping and other forms of transportation, and other international transactions” (p.2). Capitalist Europe was coming closer together. In 1958, the Treaty of Rome established the European Economic Community now known as the European Union (EU). Wolfe (2007) notes that, “the OEEC

by developing the disciplines of cooperation and networks of officials laid the basis for subsequent efforts at European integration” (p.1).

### *Demise of the OEEC and the Birth of the OECD*

Johnson (1965) describes “two alternative routes” (p.48) that European economic integration might have taken:

One was the integration through close economic cooperation and co-ordination of economic policy among European countries, on the basis of common problems and interests distinguishing them from the rest of the world economy, and within the framework of the world economy; this was the OEEC route, favoured by Britain and other countries on the periphery of Europe. The other was explicit integration through the merging of national economies in a supra-national economy- the common market route... which has since evolved as the European Economic Community (p.50)

The chosen route was not the one favoured by the Americans as it reduced their power to determine European economic and social policies. In order to continue to have a strong voice in European affairs, the United States pressed for the creation of an organization that would correspond more to their ideals more than the OEEC. This was the seedbed from which the OECD finally grew.

Commentators differ about the ease with which the OECD developed. Woodward (2004), for instance, suggests that the OECD evolved smoothly to replace the OEEC:

In 1959, buoyed by the success of the OEEC, the USA called for a new transatlantic institution where industrialised countries could meet as equals (rather than the donor-recipient model embodied by the OEEC) and which would recognise the North’s obligations to the developing countries of the South. The European label was jettisoned, a development dimension was added and, on 30 September 1961, the OECD was born (p.114).

Wolfe, on the other hand, interprets the transition differently. The demise of the OEEC threatened to give more power to another emergent organizations, the European

Economic Community (the EEC). The consolidation of the EEC, he suggests, caused grave concerns for the United States because it threatened to diminish their power to shape European affairs. According to Mahon (2007), the shift in the balance of power from the EEC to the OECD in the early 1960s, “brought the US (and Canada) into what had been a (western) European-based organisation” (p.3). The OECD gave the US a basis for asserting power in European affairs and enabled it to counter the development of the EEC.

Wolfe (2007) explains the outcome of the creation of the OECD as follows;

Canada and the USA became full participants in the new body: like NATO, it was to be an Atlantic not a European organization. Members, believed that commercial conflict led to war; that the GATT and the IMF were the first line of defence; that regional conflict could undermine this broader objective; and, therefore, that the OECD could help, both by promoting the broad objectives of the regimes for trade and payments, and by encouraging the leading industrial countries to work together. The Council of the OECD met for the first time in December 1961, with Donald Fleming, Canada’s Minister of Finance, in the chair (2007, p.3).

Placing Canadian Donald Fleming in a leadership role is indicative of the role North American was to have in the new organization. The OECD was not to be a European organization. Instead, it was to be an international organization, strongly directed by the United States.

### **The OECD and Keynesian Economics: 1961 – 1970**

#### *The OECD*

Since its inception in 1961, the “mission” of the OECD:

Has been to help governments achieve sustainable economic growth and employment and rising standards of living in member countries while maintaining financial stability, so contributing to the development of the world economy. Its founding also calls on the OECD to assist sound economic expansion in member countries and other countries in the process of economic development, and to contribute to growth in world

trade on a multilateral, non-discriminatory basis. (Organization for Economic Cooperation and Development, 2005, p.9)

The OECD began with 20 member nations and now has 30. Nations cannot apply for membership; rather, membership is offered by the organization. Unlike cousin organizations such as the World Bank or the IMF which are headquartered in Washington, D.C., the OECD is headquartered in Paris, at arm's length from direct American influence. The location of the OECD reflects the influence of the EU has on the organization as 19 countries are members of the European Union. Henry et al. (2001) report that, "the European Commission is also represented on the Council" (p.9), adding greater influence on the organization.

Of the 30 nations, the remainder are comprised of the United States and ten additional members, the majority of whom are amongst the wealthiest nations on earth. Interestingly, no African or South American countries are members. Closer inspection shows that the 30 member nations are not representative of the global community. In the UN Human Development Report (2007/2008) ranking of 177 nations, the top 20 nations are all OECD members. All but one, Turkey, is ranked in the United Nations Development Program's (2007), "high human development" section.

Although representing 30 nations, the OECD does limit itself to serving only those nations. "In recent years, the OECD has moved ....to offer its analytical expertise and accumulated experience to more than 100 developing and emerging market economies" (OECD, 2006, p.9) all the while maintaining strategic hegemony.

## *OECD Economists Influencing Education*

To understand how the OECD is able to influence both member and nonmember countries, it is important to take note of the important role that economists play in the organization. Since its inception, the principal focus of the OECD has been on the economy. Dostal (2004) remarks, “the organization is structured along directorial lines with 700 research personnel, most of them economists as well as lawyers, scientists and regulatory experts” (p.446). Mahon (n.d.) comments that, “economists constitute 40% of its staff” (p.4). Offering an explanation for the influence and devotion to economists, Porter and Webb (2007) write, “the OECD secretariat is heavily populated by professional economists, because western societies accord such a high value to this kind of expertise and because economic liberalization is central to the OECD's mission” (p.4).

To fulfill its mission, the OECD performs ‘four functions’, which Woodward (2004) details:

First, it promotes cooperative solutions to the world’s economic problems. It does so by providing a forum for ongoing policy dialogue plus surveillance and peer review of member economies. Second, it gathers and disseminates information.... Third, the OECD provides 'support services' to other international institutions, most notably the WTO and the Group of 7 (G7). These bodies are heavily reliant on the OECD's research and expertise and they occasionally request the OECD to carry out tasks on their behalf. Finally, the OECD is an international standard setter (p.114-116).

Being an ‘international standard setter’ is a seeming contradiction within the generally accepted perception of the OECD. Porter and Webb (2007) state that the OECD is seen as, “a highly technical research organization with little significance for world politics” (p.1). Wolfe (2007) identifies the OECD has having ”no regulatory responsibility, no independent source of funds, no money to lend, and no instruments

within its control” (p.3). Despite this, Porter and Webb (2007) argue that, “this underestimates the importance for global governance of the knowledge networks that the OECD helps orchestrate” as the work of the OECD “involves the ongoing development of a sense of identity for members as it develops policy prescriptions appropriate for liberal-democratic countries that see themselves as world leaders, and the aspirations of member states (and some non-member states) to that identity gives the OECD considerable influence despite its lack of formal powers” ( p.1).

The influence of the OECD is derived from its power to offer “codes of conduct” to which nations can aspire. Schafer (2006) comments:

Ever since its formation in 1961, the OECD has sought to ensure that its member states follow the code of conduct for sound economic policies laid down in the OECD Convention. This is achieved through regularly monitoring and evaluating the economic situation in the member states and their respective policies. Thus, every twelve to eighteen months the OECD produces an Economic Survey for each country (p.73).

Associated with the development of ‘codes of conduct,’ Marcussen, (2001) asserts that the OECD participates in the “idea game.” As he relates, “the idea game ... [is] about formulating, transferring, selling, and teaching, not formal regulation, but principled or causal beliefs helping to constrain or enable certain types of social behaviour within the OECD area” (p.3). It is by playing this idea game that the OECD can create a ‘sense of identity’ for member nations. It is able to create and set benchmarks, “codes of conduct,” and conditions for development which are in line with the OECD’s set of economic and social views.

Since the OECD lacks regulatory power, it depends on peer review (also known as surveillance) to *assert* its supranational influence. Schaffer (2006) contends that, “the

possible effectiveness of multilateral surveillance depends on establishing peer pressure and persuading reluctant actors” (p.81). Through peer review, the OECD ignites competition between nations. The OECD relies on the competitive aspirations of nations and their fear of not wanting to be ranked number 30. Being number one is key to raising a nation’s international stature. For non-OECD members, peer review provides measurable benchmarks to which they should aspire. Being viewed favourably by the OECD is goal to which most countries now strive.

Schafer (2006) refers to peer review as ‘soft law’ which, “is attractive for national governments as it limits sovereignty losses. States rely on multilateral surveillance to coordinate their policies in the absence of enforceable, binding rules” (p.83). In contrast ‘hard law’ would be binding and seen as challenging national sovereignty as states would have to change their statutes to adopt new policy. The power of the OECD, therefore, rests in its ability to influence national policy without trammelling the sovereignty rights of nations.

As been shown, the OECD is heavily populated by economists who focus their peer review work on economic indicators. In the case of education, for example, OECD economists have concentrated on the economic effects of different national educational strategies and initiatives. This is evidenced in the introduction to the OECD’s (2007) report, *Education at a Glance*, which:

Provides a rich, comparable and up-to-date array of indicators that reflect a consensus among professionals on how to measure the current state of education internationally. The indicators provide information on the human and financial resources invested in education, on how education and learning systems operate and evolve, and on the returns to educational investments (p.15).

This document illustrates the method used by the OECD. First, the OECD promotes the importance of education for economic development. Next, it completes a study comparing how different countries are doing in meeting different educational objectives. Finally, it sets educational benchmarks and goals for countries to attain. With no legally binding arrangement, countries can interpret and incorporate the data and statistics as they wish, with the hope that improving education will enable them to become more competitive with other nations.

Studies such as *Education at a Glance* (2007) are intended for the 30 nations of the OECD but, importantly, are available to any interested nation. The power of the OECD to influence non-member nations is highlighted in a OECD (2006) report titled *The OECD* in which the OECD claims that, “in recent years, the OECD has moved ....to offer its analytical expertise and accumulated experience to more than 70 developing and emerging market economies” (p.9). “Offering their analytical expertise,” it is important to emphasize, has emerged as an effective method by which the OECD has managed to infiltrate national political, economic, and educational discourses. As such, over the past three decades, the OECD has become a powerful hegemonic force.

Peer review is also part of the process the US has used to gain influence in European political discourse. Within the EEC, and the former OEEC, peer review existed between European nations without US influence. Within the OECD peer review process, however, the US holds sway. According to Mahon (2007), “financial contributions are based on the size of each member’s economy, which makes the US the largest contributor” (p.3). The OECD has given the US a strategic route into European affairs.

More than just having a voice in the OECD, the US attempts to maintain hegemony over world affairs. Clayton (1998) describes hegemony as, “a process of ideological domination” (p.482). In addition to other functions, asserting hegemony is a key function of a range of international organizations such as the World Bank and the International Monetary Fund that the US controls. These organizations enable the US to push for socio-economic conditions that serve the interests of key sectors in the US economy. As, Henry et al. (2001) describe, “the shadow of the US- contributing 25% of the Organizations’ budget- hovers over the OECD, particularly in the dominant ‘tone’ set by the US version of market liberalism” (p.8). Through hegemony in the OECD, the US has been able to create and maintain market conditions which are favourable to their interests.

#### *The Keynesian OECD in Support of Education*

Since its inception, the OECD has gained influence as a force in support of global capitalism. Due to its sponsorship of capitalism during the 1950s and 1960s, the OECD played a role the ‘cold war’ as the US battled the communist bloc for global political, military, and economic hegemony. During this period, Henry et al. (2001) suggest that the OECD, “was part of the hegemonic project of the United States to create liberal democratic societies, then largely framed in Keynesian terms” (p.158). Part of the strategy adopted by the OECD was to use education and education assistance as a means to spread, or at least infiltrate, non-OECD countries with ‘core’ US/European culture and values. This idea of spreading culture through education is highlighted by Clayton, who (1998) comments that, “educational assistance provides a vehicle for the transmission of ideologies from the core to the periphery and, subsequently, for the ‘intellectual socialization’ of peripheral individuals” (p.485).

Along with being a participant in the ‘cold war,’ the OECD member countries also dealt with changes in the capitalist economy, in particular the growing need of corporations for trained employees in high technology industries. Baptiste (2001) tells us that, “prior to World War II, agricultural and industrial economies did not require large numbers of highly skilled workers” (p.186). This changed dramatically during the post WWII era. The need to train highly skilled workers for the high tech workplace became an important part of the OECD’s mandate.

Mahon (2005) contends that, “initially, the OECD functioned within a Keynesian policy paradigm” (p.9). During the period of the 1950s and 1960s, when Keynesian ideology dominated the capitalist world, education and skills training were viewed as an investment, as opposed to the more recent view of it being an expense. The Keynesian state took great interest in education and shouldered the burden of its cost. As Istance (1996) comments, “there was the early promotion of the idea of education and training as national investments, making as real a contribution to economic growth as capital investment” (p.92). Keynesian economists and government officials perceived education as an integral part of a strong economy and society.

Perhaps because of the influence of Keynesianism, education was a central concern of the OECD from early on. In their review of the OECD, Henry et al. (2001) observe that, “the structural basis for education as an independent activity in the OECD, which persist to this day, came with the establishment in 1968 of the Centre for Educational Research and Innovation (CERI)... and the replacement of the Committee for Scientific and technical Personnel with the Education Committee in 1970” (p. 9). Prior to the establishment of CERI, education was part of the OECD, although its presence was more

veiled. Reviewing the history of education as being a component of the OECD,

Papadopoulos (1994) writes:

There is no explicit reference in the OECD Convention to Education being among the concerns and purposes of the Organization. The nearest it comes to getting such a reference is in Article 2 (*b*), on policies designed to promote the development of Member countries resources in science and technology, encourage research and “promote vocational training” (p.11)

Despite not having a specific reference to education, Papadopoulos suggests that education was, indeed, an important central concern as the OEEC folded and the OECD emerged. He observes that, “the rapid shift in programme priorities towards the economics of education...was in fact an inspired, intentional move designed to secure a lasting place for education within the new organization” (p.37). Even though it was not specifically referred to or provided with explicit institutional support, education was an important part of the OECD mandate since its inception.

Traces of the OECD involvement in education policy formation can be detected as early as 1961 when the OECD held the *Policy Conference on Economic Growth and Investment in Education*, also known as the *Washington Conference*. It was at this conference that the influence of Keynesian policies on the OECD philosophy were most profound. The dramatic difference between the attitudes of powerful stakeholders in the OECD then and the attitudes that were soon to develop under neoliberalism are revealed clearly by Walter Heller, then Chairman of the Council of Economic Advisers, who, true to the Keynesian view, insisted on the, “substitution of the term ‘investment in education’ for the term...‘expenditure on education’” (OECD, 1965, sec I- p.33). In the 1960s, and within the Keynesian policies, large amounts of money were *invested*, as opposed to being *expended*, on education by government with the expectation that it would be

socially profitable and beneficial. Henry et al. (2001) suggests that public investment in education in the 1960s was expected to have “significant though immeasurable- i.e. residual- benefits for economic growth and social cohesion” (p.59).

The “expansion” in funding for education was of paramount importance. As Papadopoulos (1994) notes, “estimates in the report [Washington Conference], meant not less than a doubling of educational expenditure from all sources” (p.39). Once again the OECD of the 1960s can be seen to be adhering to the Keynesian concept of the welfare state providing significant funding for public programs. A persistent theme of the conference was how education and a strong economy are tightly intertwined. As Philip Coombs, Chairman of the OECD during the Washington Conference, relates, “economic progress itself is increasingly dependent on the development of education and on scientific research” (OECD, 1965, sec I- p.6). The influence moves from the economy to education as well. As the OECD relates, “it is only with economic advance, itself dependant upon education, that a nation can progressively give more substance to the ultimate ideal of equal opportunity for ever individual to develop his latent ability through learning” (OECD, 1965, sec. 1- p. 9).

The *Washington Conference* explored the relationships between a strong economy and education. It also paid special attention to what was termed the ‘underdeveloped countries.’ With the unstated believe that underdeveloped countries wanted to achieved the prosperity of the developed countries, delegates viewed education as a means for underdeveloped countries to achieve, “social and economic progress” (OECD, 1966, secI- p.13). One strategy that could help with this aspiration was to provide opportunities for students from underdeveloped countries to study in OECD countries. This correlates

with the belief of OECD members that, “many of these countries will need to send abroad some or all of their students at higher, and particularly post-graduate, levels” (OECD, 1966, sec.I- p.15). The predominance of this OECD strategy is explained by world-system education scholars who, “suggest that the ideologies transmitted through educational assistance directly support the expansion of the capitalist world economy.... these scholars see immediate economic consequences of education” (Clayton, 1998, p.485). Economists at the OECD believed that they held the core social values which much of the world aspired to attain.

There is another more nefarious possible motive, however. As Spring (1998a) points out, the notion that development could be fostered by providing a select few from underdeveloped countries with education in the developed world, was promoted by the US in order to spread Western (capitalist) forms of social, cultural, and economic development. During the Cold War, part of the US strategy was to:

Consciously cultivate ... foreign student attendance at U.S. universities and military schools....These students returned to their countries with knowledge of U.S. technology and English. These students often formed an elite within their countries and promoted U.S. concepts of economic development (p.29).

Importantly, at the time of the *Washington Conference*, participants largely viewed education in ‘underdeveloped’ countries as a lesser form of education. As John Vaizey comments, “in some countries, especially Central, East and West Africa, there is a serious shortage of educated people at all levels” (OECD, 1965, sec. III-p.52). The people living in Africa were educated but not in the ideals of Vaizey’s capitalist understanding.

### *OECD and Human Capital (Part I)*

While it was not explicitly thematized, the notion of human capital development permeated the *Washington Conference*. As Walter Heller, observes, there was, “a revival in interest” in the notion of human capital development at this juncture in the OECD’s history (OECD, 1965, sec I- p.30) While Heller does not provide a clear definition of human capital, he believes that it can help explain how, “in the United States less than half of the increase in output can be explained by increases in the stock of tangible capital and man-hours worked” (OECD, 1965, sec I- p.32), this increase can be explained by “higher levels of education for greater proportions of our population” (OECD, 1965, sec. I-p.33).

Baptiste (2001) suggests that, in the 1960s, human capital theory had a veiled presence due, in part, to the Keynesian view of education. Keynesianism, “stressed public investment” (p.187) in education but does not make it an explicit element of the economy. The idea that the learning of people was an economic asset (human capital) was present but, within Keynesian economic theory, was not overtly articulated.

During this time, however, a much more explicit form of human capital theory had begun to develop. Referring to Briggs (1987), Baptiste (2001) writes that the, “post-World War II era required massive doses of highly skilled workers. And this technological advancement, he believed, provided the ground for building a theory of human capital” (p.186). In the 1960s, human capital was couched in terms of allowing workers opportunities to improve their lot in life. Sensing that the term human capital might be misunderstood as a form of slavery Schultz (1961) suggested, “our values and beliefs inhibit us from looking upon human beings as capital goods, except in slavery,

and this we abhor” (p.2). Instead it should be understood that, “by investing in themselves, people can enlarge the range of choice available to them” (p.2).

With the ability to ‘enlarge the range of choice available to them’ workers were creating chances to earn higher incomes, with the implication being higher incomes leading to a better life and thus benefiting society. Schultz asserted (without providing any substantial evidence) that people with better education have greater earning capabilities. The logic espoused in the 1960s was that higher education creates opportunities for higher incomes and that higher incomes lead to a better life and society. Thus, even though notions of human capital development surreptitiously informed OECD policies at the time, they were not promulgated strongly or directly. This was soon to change.

#### *Business and Industry and the OECD*

Business and industry has long played a role in developing OECD policy, a role Woodward (2004) traces it back to the OECD’s formative days: “The OECD has longstanding arrangements for consulting business groups and trades unions through the Business and Industry Advisory Committee (BIAC) and the Trade Union Advisory Committee (TUAC). These bodies, formally designated by the OECD Council in 1962, participate across the entire gamut of OECD activities and have annual liaisons with the OECD Council” (p.119). These two bodies have influenced OECD education policy through the consultation process employed by the OECD.

#### *Decline of the Keynesian Influence*

As was noted above, the formation of CERI in 1968 signalled the beginning of a shift in the OECD away from Keynesian policy. Gordon (2005) comments that the Keynesian

system responded to the, “disruptive potential of labour” (p.57), because of this, under the Keynesian welfare state, “the organized working class won, among other things, the right to collective bargaining, a commitment from the state for monetary policies conducive to low levels of unemployment, and a significant increase in social wage” (p.57). Just around the corner, though, lurked a significant economic transformation that would restructure the world’s economy and destroy the welfare state. Instead of being an state investment to support a strong economy, education became a means for businesses to be more competitive by focusing education on economic opportunities ahead of individual opportunities. David Harvey (2005) suggests that after the WWII the economic elite were willing to share the fruits of capitalism with labour. By the late 1960s and 1970s labour’s share of the production of capital was getting too great for the economic elite especially as it was causing a falling rate of profit, slow economic growth, and high inflation. As Harvey (2005) indicates, at this point, “the upper classes had to move decisively if they were to protect themselves from political and economic annihilation” (p.15). The 1970s marked the end of the Keynesian welfare system and the emergence of a virulent new political economic philosophy: neoliberalism. This new philosophy drastically transformed the OECD and, ultimately, motivated the promulgation of the notion of the learning city.

## Chapter 3

### Neoliberalism and Globalization- the OECD Shift from Keynesianism to Neoliberalism

In the early 1970s, volatility in the market place and social unrest triggered capitalist governments to abandon Keynesian political economy. Governments throughout the Western world began to explore a range of new anti-Keynesian economic philosophies and strategies. Of these, neoliberalism emerged as the dominant economic paradigm.

Fourcade-Gourinchas and Babb (2002) observe that since the 1970s:

A set of economic principles often identified as “neoliberalism” [has] become part of the accepted framework for thinking about, and acting upon, the economy. One after another, national governments of both left and right implemented a wave of reforms—privatizations, dismantling of social welfare apparatuses, retreat of the state from economic regulation, tax cuts, opening of national boundaries—that profoundly transformed the relationship between their citizens and the economy (p.534-535).

Whereas under Keynesianism, the economic imperatives were subordinated to the broader social interest, under neoliberalism the economy was promoted as the main motor for driving societal change.

Hubbard (2004) indicates that, “as the dominant political ideology in late modern society, neoliberalism is implicated in the making of social and spatial orders at a variety of scales” (p.665). It has influenced social, economic, and political policy development from the level of supranational organizations, such as the IMF; to trading blocs, such as NAFTA; to sub-regional players, such as cities.

Associated with neoliberalism is the concept of globalization. Globalization is both the formation of a global economy and another forum through which the global economic elites are able to have greater access to capital accumulation.

It is the contention of this thesis that neoliberalism, particularly in association with globalization, has deeply affected both urban governance and education policy. To understand more clearly how this has transpired, this chapter investigates the rise and development of neoliberalism as a pervasive ideological force and explores the specific ways it has changed the ways cities are governed and education is managed.

### **The Rise and Development of Neoliberalism**

#### *Neoliberalism*

Neoliberalism is the dominant ideological concept guiding economic and social principles in the world today. It is a multi-faceted notion that has ardent proponents and equally ardent opponents. Ong (2006) suggests that, for its proponents, neoliberalism is, “the inevitable endpoint in the evolution of the market economy” (p.11). Advocates believe it creates conditions in which capital can be generated more efficiently. This, they hold, is beneficial to all. Fourcade-Gourinchas and Babb (2002) add that neoliberals believe, “the policies they are associated with “work” better than statist ones” (p.535). Hackworth (2005) suggests that for neoliberals, “the market is seen as the most efficient way and normatively ideal way to allocate goods and solve social problems” (p.30). Expanding on this idea, George adds, “the whole point of neo-liberalism is that the market mechanism should be allowed to direct the fate of human beings. The economy should dictate its rules to society, not the other way around” (1999).

Many theorists from a range of disciplines contest the claims of neoliberalism's proponents. According to Fourcade-Gourinchas and Babb (2002), neoliberalism is widely seen as a system that advantages those who profit from the, "imposition, by a set of international agencies and financial institutions, of disciplinary policies (e.g., conditional loans, retaliation measures) that ultimately serve the interest of the world hegemonic power, the United States" (534). Neoliberalism creates an elitist system in which social and government leaders respond to the needs of the marketplace over the needs of the citizens. Henri Giroux (2005) also takes a hard hitting position in his characterization of neoliberalism:

Neoliberal ideology, with its ongoing emphasis on deregulation and privatization, has found its material expression in an all-out attack on democratic values and on the very notion of the public sphere. Within the discourse of neoliberalism, the notion of the public good is devalued and, where possible, eliminated as part of a wider rationale for a handful of private interests to control as much social life as possible in order to maximize its personal profit (p.86).

### *The Hidden Agenda of Neoliberalism*

Perhaps one of the most virulent and perceptive critics of neoliberalism is geographer and social philosopher, David Harvey. According to him, all rhetoric aside, neoliberalism is a, "political project to re-establish the conditions for capital accumulation and to restore the power of economic elite" (2005, p.19). Marx once observed that, "capital... is social power" (1848/2004, p.39). In a society structured for the creation and accumulation of capital, those who control the forces of production have the greatest access to power. According to Harvey (2005), the purpose of neoliberalism powerfully accords with Marx's observation. Neoliberalism represents the efforts of the economic elite to use the state to strengthen their position to draw wealth from society.

The central focus of neoliberalism as a guiding economic-social principle lies in the capitalist's desire to create capital and the associated need to import and export excess capital. De Soto (2000) describes capital as a fixed asset that is owned, as well as the "surplus value" (p. 40) that can be attained from an asset. Rikowski suggests, "surplus value is the lifeblood of capital" (2000). Extending an understanding of capital and neoliberalism, Rikowski writes that it:

is about the development of *capital* as well as markets, which takes us into the realm of the commodity and commodification – with value, surplus value and profit in tow. Neoliberalism nurtures the development of capital and seeks to crash down any barriers to capital accumulation (2005).

Hill puts it more succinctly by stating that within the neoliberal world, "'profit is God', not the public good" (2003).

The set of economic and social strategies that have become known as neoliberalism are implemented in different ways from country to country in what Harvey (2005) terms, "uneven geographical development" (p.87). Each government that embraces neoliberalism has its own interpretation of it. According to Harvey, however, because neoliberalism is a system which favours one location over another and one social class over another, its inevitable end result is to produce uneven geographical development. Despite its different appearance in different contexts, neoliberalism in all its guises creates market conditions that favour the global economic elite and, concomitantly, generates hardships for significant segments of the world's population.

With this more nefarious account of neoliberalism in hand, let us now explore the history of its development and implementation. This, in turn, will provide a context to better understand the eventual influence of neoliberalism on the OECD.

### *Theoretical Precursors*

At the end of WWII, the economic elite under the US led Marshall Plan were willing to sacrifice lower rates of profit to garner sustainable social conditions of production. By the early 1970s, however, their attitude was changing. Volatile economic conditions, which McCracken (1977) et al. consider being, “food and oil price explosions and the breakdown of the system of pegged exchange rates” (p.101), caused loss of profitable return in the marketplace and threatened to destroy fortunes. Increasingly interested in re-establishing their dominant economic-social position, the economic elite, particularly in the United States, began to press for a restructuring of the world’s economic system that would break up the Keynesian welfare state.

The free market economic philosophy of political economist Friedrich Hayek were particularly auspicious at this historical juncture. Hayek’s economic philosophy was not new. Like Keynes, Hayek developed many of his foundational insights before and during WWII (he resided in London during the war). In the post WWII years, deeply concerned about central tenets of the new deal, Hayek struggled to formulate ways that Western societies could avoid reproducing conditions that had led to the outbreak of WWII. His principle focus of concern was the emerging welfare state, which Hayek complained “has largely replaced socialism” (1965, p. ix). According to Hayek, the major problem with the welfare state (he thought it as a monopoly) was that it undermined individual liberties:

The concentration of all decisions in the hands of authority itself produces a state of affairs in which what structure society still possesses is imposed upon it by government and in which the individuals have become interchangeable units with no other definite or durable relations to one another that those determined by the all-comprehensive organization

(p.27).

In a collective state and economy, Hayek surmised, individual ability is lost or weakened. Unused abilities, to Hayek, are not only wasted assets but they keep individuals captive of the state. He states that, “a state monopoly is always a state protected monopoly – protected against both potential competition and effective criticism” (p. 197).

Along with being wary of monopolistic government, Hayek was also wary of the monopolistic power of unions. Concerned for those who were without a strong union or were unemployed, Hayek (1944) writes:

The recent growth of monopolies is largely the result of a deliberate collaboration of organized capital and organized labor where the privileged groups of labor share in the monopoly profits at the expense of the community and particularly at the expense of the poorest, those employed in the less-well-organized industries and the unemployed (p.199).

In opposition to Keynes, Hayek advocates restricting strong collectivist governments and reducing their interference in the economy. The most efficient method of dealing with monopolies, according to Hayek, is to create conditions of open and fair competition in the marketplace. He suggests that, “private monopoly is scarcely ever complete and even more rarely of long duration or able to disregard potential competition” (p. 197). In order to help the individuals in society, Hayek (1944) agreed with the idea that, “the guiding principle in any attempt to create a world of free men must be this: a policy of freedom for the individual is the only truly progressive policy” (p.240). He (1948) suggests that:

For a competitive society the question, [is] not how we can “find” the people who know best, but rather what institutional arrangements are necessary in order that the unknown persons who have the knowledge specially suited to a particular task are most likely to be attracted to that task (p.7).

To promote his ideas, Hayek, along with Milton Friedman and other rightwing colleagues, formed the Mount Pelerin Society in 1948. Tickell and Peck (2003) claim that the Mount Pelerin Society:

Was dedicated to opposing the ‘collectivists ideologies’ of nationalism, socialism and fascism. At a time when the dominant political-economic discourse was resolutely statist and interventionist, this advanced guard for neoliberalism was laying the intellectual foundations for an alternative ideological project (p.170).

While the ideas of Hayek and others provided important intellectual support for the development of neoliberalism, only certain aspects of Hayek’s broader political philosophy were picked up by neoliberal pundits. Like Keynes, the primary concern underlying Hayek’s political economy was not the express advancement of the ruling class. Hayek’s prime concern was to avoid the social conditions that had produced fascist and communist totalitarianism. His attack on Keynesian economics was important, however, in that it provided neoliberals with powerful intellectual support for their own ideological formulations. Through the selective adoptions of Hayek’s philosophy, neoliberals were able to create new routes for capital accumulation.

#### *The Neoliberal Attack on the Welfare State*

By the early 1970s, Hayek’s ideas had begun to be incorporated into the rapidly consolidating discourse of neoliberalism that was growing amongst a cadre of economists, conservative intellectuals, politicians, government officials, business advocates, policy makers, and right wing media pundits primarily in the United States and Britain. Peck and Tickell (2002) characterize advocates of neoliberalism at this time as being, “preoccupied with the active *destruction and discreditation* of Keynesian-

welfarist and social-collectivist institutions” (p. 384). Promoters of neoliberalism held the welfare state as responsible for the economic recessions and social turmoil of the 1970s so they set about to abolish the Keynesian system. In particular, they attacked the welfare state’s *redistribution* of capital to all citizens and began to replace it with a system in which the state focused on the *concentration* of capital to economic and social elite. As Ayers (2004) observes, supporters of neoliberalism advocated, “for more liberalized trade and investment, tax cuts and concurrent cuts in public spending on social services, deregulation and the privatization of state-owned industries or services” (p.12). Proponents of neoliberalism were aware that the state was the key agent for the institutionalization of their agenda, for the transformation from Keynesianism to neoliberalism. Peck and Tickell (2002) point out that the state was needed for the, “*construction and consolidation* of neoliberalized state forms, modes of governance, and regulatory relations” (p.384). Speaking even more strongly, Harvey (2003) asserts that the adherents to neoliberalism were able to transform state, “activity away from the welfare state towards active support for the ‘supply side’ conditions of capital accumulation” (p.157).

To accomplish their aims, neoliberal politicians and policy makers pressed for a new role for capitalist government in the marketplace. Hackworth (2005) points out a generally accepted opinion that in the neoliberal system, “the state should be as “non-interventionist” as possible” (p.30). Hill counters this claim by stating that, “neoliberalism demands a strong state to promote its interest” (What neo-liberalism demands, para. 2). Neoliberal advocates were able to compel Western capitalist governments to move away from the ideals of the welfare state to embrace a role that would see them

generate conditions for a profitable marketplace thus allowing global economic elites greater access to capital.

The government structures that finally began to emerge reveal how committed advocates of neoliberalism were selective in their utilization of Hayek's theories. Hayek believed that governments should have limited economic and social influence. He also contended that, "fascism and communism are merely variants of the same totalitarianism which central control of all economic activity tends to produce" (1965, p.viii). Olssen and Peters (2005) maintain that Hayek contended, "that all forms of state action beyond the *minimal* functions of the defence of the realm and the protection of basic rights to life and property are dangerous threats to liberty" (p.317). This contention of Hayek was shared by fellow economist Milton Friedman (1962), who argued that, "what we urgently need, for both economic stability and growth, is a reduction of government involvement not an increase" (Friedman, 1962, p.38). Yet, for many promoting neoliberal policies, the desire to increase the rate of return in the marketplace, meant developing an intensely interventionist state. The destruction of the welfare state did not reduce the role of government; rather, it shifted the benefactors of government intervention from the working class to the elites. The power and influence of business increased under the overarching credo of 'what is good for the economy is good for society'. And, as a result, social inequalities grew significantly to the point that George despairingly is able to assert that, "America is one of the most unequal societies on earth" (1999).

*The Preconditions for Neoliberalism's Emergence.*

Reviewing the work of Dumenil and Levy, Harvey (2005) notes that they, “concluded that the neoliberalization was from the very beginning a project to achieve the restoration of class power” (p.16). Harvey (2005) adds that neoliberalism has, “worked as a system of justification and legitimization for whatever needed to be done to achieve this goal” (p.19). Given the massive edifice of the welfare state, however, for any significant change to have been possible, conditions had to be just right.

Hursh and Martina (2003) observe how in the early 1970s problems in the marketplace were rampant: “Profits fell primarily because cost pressures from labor could not be passed on to the consumers in the increasingly competitive and open world economy” (The rise of neoliberalism and education... para. 1). The British coal miner's strikes of the early 1970s illustrate this contention. In this strike, powerful coal miner's unions won their battle for higher wages with the Conservative Government of the day but with serious monetary consequences for Britain. The settlement of the miner's strike plunged the British government into debt causing the Conservatives to lose power to the Labour Party. Harvey (2005) outlines what happened next:

The Labour government could not afford the terms of the settlement and the fiscal difficulties mounted. A balance of payments crisis paralleled huge budget deficits. Turning for credits to the IMF in 1975-76, it faced the choice of either submitting to IMF-mandated budgetary restraint and austerity or declaring bankruptcy and sacrificing the integrity of sterling.... It chose the former path, and draconian budgetary cutbacks in welfare state expenditures were implemented (p.58).

Like a dam breaking, this signalled the end to the Keynesian welfare state in Britain as it enabled the new Conservative government of Margaret Thatcher (a name synonymous with the very ethos of neoliberalism) to abandon its commitments to social programs.

Shorn of the requirements to support expensive programs, the Thatcher's neoliberal government could now concentrate on creating conditions favourable to a strong national economy. This reorientation of government to economic imperatives eventually washed through the whole of Western society.

Emboldened by strong initial support of neoliberalism, Thatcher moved quickly to crush British unions, in particular the miners union, in the 1980s. Soon after, with neoliberal sentiments rapidly rising, President Ronald Reagan broke the power of many American trade unions in the 1980s. At the same time, supra-national institutions such as the IMF, World Bank, and the OECD were increasingly freed to institute economic and social reforms impossible under conditions of the welfare state. These reforms shifted from the focus of governments around the world from supporting social welfare to supporting economic and marketplace welfare. This all was good news for global elites who suddenly found themselves awash in new opportunities for capital creation. As Harvey (1989) notes, "the first major post-war recession of 1973 sparked a variety of seemingly profound adjustments in the paths of capitalist development" (p.11).

#### *Commodification of the Commons – Isolating the Public*

In the early 1970s neoliberal policy makers initiated a two pronged transformation of capitalist society. The first part was to weaken the Keynesian welfare state by reducing social and welfare programs through tax reforms and cutbacks to public spending. The second part was to open up new opportunities for capital creation for business and industry. Taking their cue from Hayek's (1944) belief that sole control of a resource creates unfair monopolies, economic reformers were able to break the power of trade

unions by reducing their ability to protect the rights of workers, and to pull government out of state managed monopolies of public services and public utilities.

Neoliberal policy makers, looking for new sources of capital creation, recognized that taking control over government managed public services and utilities could be profitable for business and industry. This view was enhanced by the fact that state taxpayers had already footed the bill to develop much of the infrastructure. Using neoliberal doctrines, economic reformers convinced capitalist governments to relinquish their monopolies on public service and public utilities, ceding them to the marketplace. As government pulled out, business and industry rushed in, effectively privatizing what had been considered common services and property.

Henri Giroux (2005) observes how, “public services such as health care, child care, public assistance, education, and transportation are now subject to the rules of the market” (p.86). 'Rules of the marketplace' have effectively placed control of many public services in the hands of capitalists whose monetary investment trumps civil concerns. Hill (2003) points out how, “privatised utilities, such as the railway system, health and education services, free and clean water supply are run to maximise the shareholders' profits, rather than to provide a public service” (The Current neo-liberal project of global capitalism, para.3). Routledge (2004) argues that, “neoliberal policies have resulted in the privatization, deregulation, appropriation, and exploitation of communities' common resources of livelihood (land, water, forests, seeds, culture, and people's identity)” this has, “resulted in the pauperization, displacement and marginalisation of indigenous peoples, women, peasant farmers, and industrial workers, and a reduction in labor, social, and environmental conditions on a global basis” (p.1).

The concessions government made to the marketplace, which Altvater (2004) refers to as, “privatizing access to public goods” (p. 64), enabled business and industry to find new sources of wealth creation while making subservient those who as a result had to pay to access and use to newly privatized goods and services. It has created divisions in society through competition for resources. These divisions have also weakened opposition to business and industry. Creating a unified voice is more difficult in contexts where workers are pitted in competition with each other. The global elite have been able to further ensconce their societal position all the while creating more hardships for the economically disadvantaged. The ideals of neoliberalism have depoliticized the public sphere while allowing business and industry to control access to public goods and services.

#### *Neoliberalism – Redefining the Individual*

The neoliberal attack on the welfare state, trade unions, and public resources have repositioned the role of the individual in society and in the state. Neoliberal cutbacks to social welfare programs left individuals to take care of their own welfare. Through attacking the welfare state, advocates of neoliberalism were able to take advantage of economic insecurity of the 1970s and 1980s, to inaugurate a dramatically different social contract between citizens and the state. The economic downturn of the 70s and 80s gave them grounds to assert that the large amounts of money expended on social welfare programs during the 1950s and 1960s had not helped create a better society; indeed, it was the very cause of society's ills.

In a 1987 interview, then Prime Minister Margaret Thatcher bluntly articulated the basis for this new social contract. “You know,” she asserted, “there's no such thing as

society. There are individual men and women and there are families. And no government can do anything except through people, and people must look after themselves first” (Guardian Unlimited). In this one statement Thatcher outlines the position of her government of placing the onus on individuals to take care of themselves. This position of Thatcher was earlier identified by her friend and economic tutor, Milton Friedman (1962) who contended that, “individuals should bear the costs of investment in themselves and receive the rewards” (Friedman, 1962, p.105).

Hursh (2005) describes the result of neoliberal policy so forcefully argued by Thatcher, and so enthusiastically adopted by many other governments:

Under neo-liberal post-welfare policies, inequality is a result of individuals' inadequacy, which is to be remedied not by increasing dependency through social welfare, but by requiring that individuals strive to become productive members of the workforce. Neo-liberal governments take less responsibility for the welfare of the individual; the individual becomes responsible for him or herself (p.4-5).

George considers the Thatcher approach as a form of, “social Darwinism”, as it sets up conditions of, ”competition between nations, regions, firms and of course individuals” (1999). Social Darwinism effectively frees the state from social welfare responsibilities by setting conditions in which inequality is acceptable. George contends that within this ideal, “nothing in particular is owed to the weak, the poorly educated, what happens to them is their own fault, never the fault of society” (1999). Giroux (2005) concurs and suggests that, “a central tenet of neoliberalism” is to “liberate the individual from the social” (p.181). Harvey (2005) explains that within the neoliberal framework, “each individual is held responsible and accountable for his or her own actions and well-being. This principle extends into the realms of welfare, education, health care, and even

pensions” (p.65). This reorganization of society was created through the selective adoption of Hayek's anti – collectivists and anti – socialist's ideas of social organization, which he considered to be restrictive of an individual's abilities to be a productive member of society. Thatcher sets the boundaries within which the poor are forced to struggle to attain previously taking for granted services within the welfare state. While the poor are struggling, the rich can afford the services they need to take care of themselves, all the while being in a position to create more wealth. Ironically the economic elite are making money by controlling programs which the poor must pay for. Neoliberal dogma has forced the disadvantaged into a situation where they cannot afford the price of social programs placing and keeping them poor and in debt. The voice of the poor is weakened and in some cases lost.

Neoliberal ideology took root in the 1970s and 1980s in two of the worlds leading capitalist countries, the US and Great Britain. Backed by such powerful governments, neoliberal policy makers acquired great influence as, “the dominant international perspective becomes the *de facto* paradigm for development” (United Nations Human Settlement Program, 2003, p.49). Davis (2006) notes that, “the dominant international perspective is ‘Washington’” (p.155). So effective has been the spread of neoliberalism that David Harvey (2005) advises it has, “penetrated 'common-sense' understanding” and is seen as the “way for the social order to be regulated” (p.41). It has been able to enter the public sphere because it has been supported and promoted by influential capitalist's organizations.

## *Neoliberalism and the OECD*

In the international context, the principal organizations that have helped spread neoliberal policies have been the IMF, World Bank and the OECD, three organizations heavily influenced by the US and its capitalist allies. Before these organizations could effectively promote neoliberalism, however, neoliberal proponents has to reconfigure their internal policy structure to better support a neoliberal agenda. Evidence for this reconfiguration within the OECD can be seen in a 1977 report, *Towards full employment and price stability*, commonly referred to as the *McCracken Report* after the report's principal author. The report was commissioned to help the OECD develop better mechanism to deal with economic problems which had risen during the 1960s and early 1970s under the influence of Keynesian policy.

The report reflects the OECD's increasing focus on economic issues. Keohane (1978) observed that, to write the report, the OECD, "appointed eight eminent economists, most of whom have held high governmental positions" (p.108). This privileging of the economist's point of view led Keohane to consider that, "the report does not develop an interdisciplinary analysis; indeed, the authors do even manifest awareness that one is needed" (p.115). Drawing on Keohane (1978), Porter and Webb (2007) pick up on this lack of interdisciplinary analysis:

Even though the central causes of inflation were seen to be political, social and psychological rather than economic, the report drew exclusively on economists' and economic elites' implicit notions about these phenomena rather than on scholarly research from other disciplines like political science, sociology and social psychology (p.7).

Lack of interdisciplinary analysis should have weakened the credibility of the report. But that did not occur. Instead, the authors of the report authors could make unfounded and

unsupported claims without serious critical contestation. They claimed, for example, that higher incomes for the rich help the poor because, “increased transfers to the poor are financed out of the higher incomes resulting from economic growth” (p.134). In a context dominated by neoliberal economists, such ludicrous arguments largely went unchallenged.

The *McCracken Report* essentially disputes the soundness of demand-side Keynesian economic policy, particularly its support of high levels of public expenditure. The economists note that, “it is increasingly suggested that many of the problems encountered in recent years with regard to both growth and inflation can be traced back to the rapid rise in public expenditure” (p.167-168). Language such as this picks up the theme of neoliberal policy makers mantra of laying the blame of society's problems on the welfare state. By linking high levels of inflation to policies of the welfare state then the obvious solution would be to eliminate or, at least, curtail public expenditure.

The *McCracken Report* offered a solution to out-of-control public expenditure – a user pay system:

The efficiency of the programme could be improved by resorting somewhat more to user charges.... Reform along these lines would not only have the advantage of helping in a practical way to control public expenditure; more fundamentally it would help establish more clearly the connection between the demand for particular public services and the price which the community is prepared to pay for them (p.213).

While not taking on the full neoliberal view, this suggestion is largely consistent with neoliberalism by putting the onus of the individual to contribute (pay) to society.

The report was written at a time when the OECD was not a full-blown neoliberal organization but reading the report provides evidence of how the notion was beginning to evolve. Illustrative of this is the comment that:

Continued economic growth in the industrialized countries, providing of a reasonable rate of expansion in the available supply of goods and services, remains an essential objective. It is needed to satisfy people's aspirations for a rising standard of living and to provide adequate employment opportunities (p.14).

This is an example of economists deciding what 'people's aspirations' are by asserting that society's well-being rests upon economic imperatives. They were also repositioning the role of the state so that it might better respond to economic issues in order to satisfy the happiness of individuals. Keohane (1978) notes that, "this conception of the state is quite different either *laissez-faire* theory or the 'pluralists Keynesianism' of the 1950's and 1960's" (p.122). The state was being positioned to become more interventionist and less *laissez-faire*.

It is the contention of Porter and Webb (2007) that, "the *McCracken Report* was seen as an authoritative analysis of the problem of stagflation, and helped shift shared understandings of appropriate policy norms in the OECD in favour of more market-friendly policies" (p,7). They continue with, "a key example can be seen in the OECD's mid-1970s shift away from Keynesian demand management to a neo-classical emphasis on monetary stabilization and supply-side reforms that reduce government intervention in the economy" (p.7). Formerly in the Keynesian paradigm the emphasis was on the demand-side that saw the government increase investment in the economy.

The *McCracken report* foreshadows the evolution of the modern notion of globalization. The report's economist authors write that, "we believe that sustained

growth in the OECD countries remains a necessary condition – though by no means a sufficient condition for fast economic progress in developing countries” (p.137). They are making two important contentions. First they contend that developing countries depend upon developed countries for growth as there will be some sort of ‘trickle down’ effect which will allow developing countries to rise up to the economic standards of developed countries. Second, they assume that developing countries have the same aspirations as Western countries.

## **Globalization**

### *Globalization and Neoliberalism*

Though the term globalization has only recently entered our vocabulary, it is not a new process. Capitalism has operated on a global scale for several centuries, primarily through colonization and imperialism. Of particular concern in the current discussion however, is to clarify the particular form that globalization has assumed under the influence of neoliberalism. Olssen and Peters (2005) suggests that, “neoliberalism is a particular element of globalization in that it constitutes the form through which domestic and global economic relations are structured” (p.313). As David Harvey observes, at the very heart of neoliberal influenced globalization is capitalism’s incessant drive towards the reduction, if not elimination, of time and space barriers, allowing capital to stream unimpeded around the world.

The neoliberal capitalist’s drive towards globalization has changed the dynamic of the world’s marketplaces by increasing the power of capitalists to demand concessions from sovereign states. In the marketplace, states are located in fixed territories which they can transform only through the acquisition (through conquest, perhaps) of surrounding

territory. Capitalists and their businesses, on the other hand, are free to roam and look for profitable investments irrespective of location. In a global context, the capacity of capital to shift and flow between and amongst territories has resulted in increased competition not just between state and capitalist but, more tellingly, between states. Globalized capitalism favors businesses and industries because they can seek out and bargain with states interested in developing new economic potentials. In a context of competition, capitalists can drive a hard bargain with states who may be unable to be flexible of choosey. The end result is greater capital accumulation for capitalists. Using France as an example, Gordon and Meunier (2001) observe the difficulties globalization poses, as it, “directly challenges the country’s statist, *dirigiste* political and economic tradition because of the degree to which it requires abandoning state control over the economy- and thereby society” (p.8).

Outwardly neoliberal globalization appears paradoxical because it strives to eliminate trade barriers between nations at the same time as it allows for greater centralization of capital within a few nations. Schoenberger (2003) explains how, under the influence of neoliberal policy, “the state withdrew from a range of activities that had, until then, been considered ‘naturally part of its ambit either as direct producer or as close regulator of private monopolies, and turned them over to private enterprise and international competition” (p.84-85). These activities included a wide range of “public infrastructure,” or common goods, turned over to private hands to be operated at a profit (and, ostensibly, more efficiently). This sets up a situation where it is possible for a company based in one nation or in a distant region within a country to have control of another country’s or regions essential infrastructure or resources. Historically problematic examples of this

include water, communications, electrical power, and public transportation. An example provided by Gordon and Meunier, is the ironic case of how the French company Vivendi, “once a local French water company” (p.5), purchased a major Hollywood studio to promote American culture (including the culinary culture of McDonalds), at the same time as France’s culinary heritage is facing sad decline.

The effect that neoliberalism and globalization has had on common recourses is best explained by Routledge (2004):

Neoliberalism has had profound impacts upon the commons. It entails the centralisation of control of the world economy in the hands of transnational corporations and their allies in key government agencies (particularly those of the United States and other members of the G-8), large international banks, and international institutions such as the International Monetary Fund (IMF), the World Bank, and the World Trade Organization (WTO). These institutions enforce the doctrine of neoliberalism enabling unrestricted access of transnational corporations (TNCs) to a wide range of markets (including public services), while potentially more progressive institutions and agreements (such as the International Labour Organization and the Kyoto Protocols) are allowed to wither ( p.1)

Though not mentioned by Routledge, the OECD is an international institution with considerable influence over the conditions that enable an economic elite to control and benefit inordinately from the world economy. Through its peer review and surveillance procedures, the OECD effectively heightens the competitive conflict between nations. In order to meet the OECD’s benchmarks of competitiveness that signals their economic attractiveness to capitalist businesses and industries, nations from around the world are compelled to adopt its economic doctrines and policies, moulded explicitly by the imperatives of neoliberal philosophy.

Amy Chua (2004) expresses an oft heard neoliberal view that nations from around the world compete with each other on a level playing field. Quoting Thomas Friedman's view of globalization, she writes that neoliberal globalization, "tends to turn all friends and enemies into 'competitors'" (p.9). As McClaren and Farahmanpour (2001) explain, however, this is far from the truth. In fact, the playing field is not level at all.

Corporations from the developed world are highly advantaged in the current global economy with the result that, "transnational corporations drain the local capital from poor countries rather than bring in new capital" (p.139). Raw materials, finances, and human capital, in this way, are plundered from poorer countries and regions leading David Harvey to contend that the current round of capitalist expansion is taking place primarily through accumulation through dispossession. Neoliberalism and globalization have weakened the sovereignty of nation states, undermined the position of workers, destroyed the power of unions, threatened sensitive ecosystems throughout the world, and have altered urban governance.

### *Neoliberalism, Globalization, and Urban Governance*

Harvey (1989), Van Vliet (2002), McDonald and Smith (2004), and Greene (2005) suggest that neoliberalism and globalization have had a profound effect on the urban governance. Mahon (2007) defines governance as being more than just the government, it is, "the development, at multiple and intersecting scales, of a variety of mechanisms of regulation operating in the absence of an overarching political authority" (para.3) Expanding the term governance to urban governance, and the shift that has occurred, the United Nations Population Fund (2007) suggests:

The term “urban governance”, formerly equated with urban management, has come to be understood as both government responsibility and civic engagement. Generally, it refers to the processes by which local urban governments—in partnership with other public agencies and different segments of civil society—respond effectively to local needs in a participatory, transparent and accountable manner (p.67).

Harvey (1989) explains that, “urban ‘governance’ means much more than urban ‘government’ ... the real power to reorganise urban life so often lies.... within a broader coalition of forces within which urban government and administration have only a facilitative and coordinating role to play” (p.6). Within Harvey’s description, urban governments are no longer the primary promoters of urban development that is left to, ‘the broader coalition of forces’, which, within conditions created by neoliberalism, will be dominated by business interest. Business interests will look to create a favourable business climate to make them more competitive economically.

Van Vliet (2002) identifies an important shift in urban governance, “under the dominant logic of current globalization, there has been a shift in urban government policies from managerialism to entrepreneurialism” (p.37). This shift was identified by David Harvey in 1989, when he observed that, “the shift from urban managerialism to some kind of entrepreneurialism remains a persistent and recurrent theme in the period since the early 1970s” (p.5). Harvey traces the modification in urban governance to the recession of 1973, which caused it shift from welfare state to neoliberalism

McDonald and Smith (2004) recognize this shift in Cape Town, RSA, where they describe a, “new ideological wave in the city—one that breaks fundamentally with the protectionist, state-oriented welfarism of the past (albeit racially construed) to one that is driven by market-oriented reform” (p.1481). Market-orientated reforms opened up broad avenues to capital generation:

Ranging from the outright sale of public assets to the corporatisation of a public utility to the deepening commodification of essential services through full cost recovery. The common thread here is one of commercialisation and the embracement of market principles, with the objective of balancing the financial bottom line and ‘running the city more like a business’” (p.1462).

Due to modification of urban government, essential services in Cape Town that are now placed into the capriciousness of the marketplace, reducing citizens security to access basic services necessary for day-to-day living.

A disturbing derivative of the new urban governance is the culture of competition it creates. The idea of competition between cities is not new, but with changes in technology and transportation the competition has heightened. David Harvey (1989) observes that:

The diminution in transport costs and the consequent reduction in spatial barriers to movement of goods, people, money and information, the significance of the qualities of place has been enhanced and the vigour of inter-urban competition for capitalist development... has strengthened considerably (p.10).

With more actors in competition with one another, greater emphasis is put on regional and sub-regional participants. This is altering the role of urban governance to be business orientated causing a restructuring of the urban landscape.

In a 1989, Harvey foretells the effects that neoliberalism will have on local economies by explaining that:

Since capital tends to be more rather than less mobile these days, it follows that local subsidies to capital will likely increase while local provision for the underprivileged will diminish, producing greater polarization in the social distribution of real income (p.12).

The case of Toronto, Ontario, provides an illustration of the effect that the new urban governance has had on the urban environment. Gertler (1999) describes Toronto going through a, “deep and painful restructuring” (p.47), during the late 1980s and early 1990s. Shrinking from the former demands of a welfare state, Greene (2005) observes that in the 1990s, the Ontario provincial government, “used its constitutional powers to alter substantially the political and economic conditions in Toronto.... The government overrode municipal planners concerns and downloaded a host of fiscal responsibilities, leaving the new City of Toronto in a precarious fiscal position” (p.9). Toronto was forced into restructuring its finances because of lost funding, making it have to create, or find new avenues, for capital creation and cost savings. Interestingly, in an effort to save face, the reaction of the Toronto government was to push forward with an agenda to make Toronto a world-class city by investing in programs, which made Toronto competitive in the global context, all the while cutting back on social welfare programs at home.

Greene (2005) explains that, “the result of these regulatory and policy shifts was to exacerbate the already existing problems of poverty, homelessness, and inequality and thereby fuel class tension” because, as he adds, “rather than invest in social housing or make allowances for poor people, neoliberal restructuring in Toronto meant “cracking down” on marginal populations” (p.10). Hubbard (2004) identifies this aspect of neoliberalism as, “creating new forms of urban inequality, striating society and space along visible fault lines” (p.665).

Urban governments are moving away from their welfare responsibilities to creating conditions in which business and industry can thrive in the urban environment. To thrive in a neoliberal world cities have to compete with other cities through programs such as

tax incentives and a well trained workforce, which enhance their position in the global marketplace. It is a competition being played out in the global arena, an arena where cities must market their competitive advantage. Smith (2002) uses the term “geobribes” (p.427) (the competitive advantage that a city has in the marketplace), to describe how cities lure capital or to get corporations to stay in, or move to, a city.

Neoliberalism and globalization have clearly altered the focus of urban governance. Hubbard (2004) suggests that the private sector has surpassed the state in operating cities, “what is distinctive about neoliberalism is that here the state takes a back seat, allowing the private sector to orchestrate urban development unfettered by governmental constraints.... Accompanied by a discourse that suggests excessive regulation stifles urban creativity” (p.668). Harvey (1989) contends that, “urban governance has thus become much more oriented to the provision of a “good business climate” and to the construction of all sorts of lures to bring capital into town” (p.11).

When the high-ranking policy makers in an urban area are entrenched within the neoliberal discourse they create, what McDonald and Smith (2004) describe, as a, “self-reinforcing loop of neo-liberal discourse and practice at different levels of government” (p.1461). Neoliberalism becomes part of the fabric of urban governance, which is then woven into the social fabric. An important piece of the social fabric is education, now part of the ‘self-reinforcing loop’ of neo-liberalism.

### *Neoliberalism, Globalization, and Education*

Neoliberalism and globalization have had profound impacts on societal values and institutions, including, the values and institutions shaping education policy and discourse. In the 1980s, the effect of neoliberalism was felt as government reduced funding to

education institutions and programs. At this time, however, the effects of neoliberal ideology was primarily fiscal; the more philosophical views of neoliberalism did not significantly touch basic educational values or policies. The ideology was based on policies of neoliberal advocates such as Milton Friedman (1962), who had this to say about schooling:

If the financial burden imposed by such a schooling requirement could readily be met by the great bulk of the families in a community, it might be still both feasible and desirable to require the parents to meet the cost directly.... This would eliminate the governmental machinery now required to collect tax funds from all residents during the whole of their lives and then pay it back mostly to the same people during the period their children are in school. It would reduce the likelihood that government would also administer schools (p.87).

In the early 1990s, according to Peck and Tickle (2002) a second wave of neoliberalism occurred. Neoliberalism moved away from what Peck and Tickle dubbed “roll-back neoliberalism”, to a system they dubbed “roll-out neoliberalism”. The change was akin to the Keynesian policy in which government invested large sums of money in social welfare programs but, contrary to the Keynesian system, it was not invested in a broad based manner. Instead it was targeted on programs that would aid, or seen to have measurable impact, on economic growth. Leading the way for roll-out neoliberalism was the British government under Prime Minister Tony Blair, who suggested in the introduction to 1998 publication *The learning age: a renaissance for a new Britain*, that, “education is the best economic policy we have” (British Department for Education and Employment (DfEE)1998, para.1). Within the confines of roll-out neoliberalism educational policy was constructed in a manner that served the economy.

On the global stage, neoliberal advocates offered education as a tool for gaining competitive advantage between regions, countries, corporations, and cities. Noel Dempsey (2004), Ireland's minister for education and science, summed up the situation as, “the never-ending search for competitive advantage in the global knowledge economy has led all public policymakers to focus on education as a key factor in strengthening competitiveness, employment and social cohesion” (OECD Observer, para.1). This remark addresses the growing demand for highly skilled workers to keep countries and regions that had now become part of the global economy from becoming marginalized. How it addresses the issue of social cohesion is not explained, however.

After years of transformation, neoliberalism and globalization have produced long reaching changes to educational systems around the world. Countries, such as China, which lie outside the realm of a traditional understanding of capitalism, are even being impacted. Mok and Lo (2007), investigating the case of China, observe that:

To meet the challenges of the rapidly changing socio-economic environments wrought by the rise of the knowledge-based economy, the Chinese government has recognized that depending upon the state alone would never satisfy the strong demands for Higher Education in the Mainland. Under these circumstances proliferation of education providers and diversification of education finance have become increasingly popular in the post-Mao era (China's transition economy and marketizing and privatizing education, para.1-.3).

This is just one example of how education has become tied to neoliberal economic policy. Like never before, economists have power to shape educational discourse in terms of expressly economic goals and imperatives. This is supported by Spring (1998b) who asserts that, “in the 1980s and 1990s, business and their legion of economists and accountants completed their takeover of educational rhetoric. Now the common call is to

educate students “to meet the needs of the global economy”” (p.151). Industry has gained hegemony in national and international education discourses causing national and sub-national actors to compete for their share of the global capital through education.

Additionally, the neoliberal focus on the individual in society also encourages competition for educational resources. Who ever works hardest to afford education will be the rightful recipient of capitalism’s fiscal benefits. Equally, whichever company or city can afford to train it staff or citizenry gains an advantage over its competitors. Neoliberalism and its push for individualism and competition has created conditions for financial meritocracy for education.

Hill (2003) sees the OECD as deeply implicated in the process of transforming our view of education. He suggests that leading neoliberal states rely on influential international organizations like the OECD to push forth their agenda. Hill believes that, “the business agenda for schools is increasingly transnational, generated and disseminated through key organizations of the international and political elite such as the Organization of Economic Cooperation and Development” (The business agenda for schools, para.2). Initially the role that the OECD had in the education discourse was influenced by Keynesian philosophy but, as evidenced by the *McCracken Report* that changed in the 1970s. Today the OECD is a key international player in education discourse and the evolving notion of lifelong learning. The next chapter details how the OECD has attained its stature as a leading policy maker for lifelong learning in the 1990s.

## Chapter 4

### **The OECD, UNESCO, and Lifelong Learning, 1972 – 1998**

It is my contention that the notion of the learning city emerged and developed as part of a broader turn to neoliberalism during the 1980s and 1990s. Specifically, it was under the prevailing influence of the OECD on educational policy that the concept first emerged. In order to trace the emergence of the concept, then, it is helpful to examine in more detail the history of the OECD's gradual accumulation of power to influence educational policy more generally, and especially policies related to lifelong learning, during this period. Of course, during the same time, the OECD was not the only player on the scene influencing lifelong learning policy. Other important organizations like UNESCO and the EU also had an important voice. In the increasingly neoliberal climate of the late 1980s and 1990s, however, the OECD rapidly gained ascendancy as a primary influence on educational policy. It became a powerful player in transforming the purpose of education and particularly lifelong learning to serve the narrow neoliberal agenda of improving and screening human capital to boost the competitiveness and profitability of global capitalism. The learning city, this chapter concludes was forged in the same furnace that tied education to economic performance.

#### *The Roots of Lifelong Learning*

Schuller, Scheutz, and Istance (2002) observe that, “we operate now in a world where ‘lifelong learning’ is almost cliché, but it was indeed new 30 years ago” (p.2). Although the term may have been coined in the 1970s, the origins of a specific concept of lifelong

learning can be identified as being planted as early as the 1960s. In his 1961 address to the delegates of the *Washington conference*, conference chairman, Philip Coombs, suggests:

As personal incomes rise and working hours decrease, there will be more leisure time....much of this leisure time will be used for learning as a means of individual self-fulfillment and pleasure. In short, education, to borrow a well known British phrase, is fast becoming a cradle-to-grave proposition” (OECD, 1965, p.27).

Coombs identified, to his audience, a need for them to adjust their understanding of education. He sees education as meeting the needs of a person throughout ones’ lifetime, not limiting it to the young people or to formal education institutions. Coombs had planted the seeds for the first generation of ‘cradle-to-grave’ learning.

### **The First Generation of Lifelong Learning**

#### *UNESCO, OECD, and Lifelong Learning in the 1970s*

Kallen (2002) identifies that the idea of lifelong learning emerged in this 1970s because, “the need for ‘second chance’ education and training came to be generally recognized and soon a wide variety of such programs appeared” (p.33). Rubenson (2006) calls this period, “the first generation of lifelong learning” (p.3). “It appeared at a time”, Rubenson (2004) adds, “when the post World War II optimism about development, prosperity and the ability of schooling to promote social equality was being challenged. As a result there were calls for new paradigms to inform educational policy” (the changing discourse on lifelong learning, para.1). Rubenson is referring to the demise of the Keynesian welfare state, which puts the rise of a specific concept of lifelong learning concurrent with the rise of neoliberalism.

Since the end of the post WWII era, the two principle international organizations advocating lifelong learning have been the OECD and UNESCO. Rubenson (2006) suggests that, “it is primarily the policy-oriented work by these two supranational organizations that has come to shape the understanding of lifelong learning” (p.2). In the 1970s and the 1990s both organizations presented influential documents detailing their position on lifelong learning. Of the two organizations, it was UNESCO which had greater hegemony in terms of policy influence in the 1970s. By the 1990s the tide had shifted and the OECD gained hegemony in international education policy. The OECD accomplished this by clearly separating itself from UNESCO policy through its adoption of a neoliberal strategy in its lifelong learning policy.

Also playing a role in the lifelong learning discourse was the EU. Reflective of their role of being the predominant bloc within the OECD, the EU has tended to stay within the parameters set out by the OECD. According to Rubenson (2006), “the EU seems to have fully embraced the OECD paradigm of lifelong learning”. The role staked out by the EU, Rubenson points out, is to encourage, “EU countries to implement the idea into national policies” (p.2).

Rubenson (2000) has established that for the first generation of lifelong learning, “most of the literature... was done under the auspices of UNESCO,” which “stressed that the evolution of lifelong learning involved the horizontal integration of education and life” (the changing discourse on lifelong learning, para.1). Mundy (1999) points out that at this time, 1960s and early 1970s, UNESCO was positioned as, “the central mediator between developing country demands for educational funding and the resources for

development now available from Western governments through the United Nations, bilateral aid programs, and the World Bank” (p.34).

### *1972 – UNESCO’s Learning To Be*

Responding to its position in global politics and its education mandate, in 1972 UNESCO published *Learning to be: the World of Education Today and Tomorrow*, also known as the *Faure Commission Report*. According to Norman Longworth, a contributor to the learning city discourse, this document, “was considered by many to be one of the most important educational reform documents of the second half of the 20<sup>th</sup> century” (2003, p.7). The *Faure Commission Report* recognized that lifelong learning was an integral part of an individual’s and society’s development. Most significantly it put into common usage the idea of the learning society

Field (2000) believes that, “its essential humanistic concern was with achieving the ‘fulfillment of man’” (p.5). According to Schuetze (2006) the, “report formulated the philosophical-political concept of a humanistic, democratic and emancipatory system of learning opportunities for everybody, independent of class, race or financial means, and independent of the age of the learner” (p.290). This was to be achieved through the “four basic assumptions” which underpin the report:

The first ... is that of the existence of an international community which, amidst the variety of nations and cultures, of political options and degrees of development, is reflected in common ... aspirations, problems and trends, and in its movement towards one and the same destiny.

The second is belief in democracy, conceived of as implying each man's right to realize his own potential and to share in the building of his own future. The keystone of democracy, so conceived, is education—not only education that is accessible to all, but education whose aims and methods have been thought out afresh.

The third assumption is that the aim of development is the complete fulfillment of man, in all the richness of his personality, the complexity of his forms of expression and his various commitments—as individual, member of a family and of a community, citizen and producer, inventor of techniques and creative dreamer.

Our last assumption is that only an over-all, lifelong education can produce the kind of complete man the need for whom is increasing with the continually more stringent constraints tearing the individual asunder. We should no longer assiduously acquire knowledge once and for all, but learn how to build up a continually evolving body of knowledge all through life—'learn to be'" (Faure, 1972, p.v-vi).

The report points to the need to extend a recognition of learning beyond the formal school years. Schuetze (2006) adds, “that education and organised learning should no longer be limited to a person’s youth, nor should education be the exclusive domain of educational institutions” (p.290). Learning was presented as being a lifelong and life-wide activity; an activity that reaches into the formal, informal, and non-formal understanding of education.

The report confronts the issue of education having a limited scope as it is not part of a lifelong system of leaning. It pushes for the adoption of a learning society:

If learning involves all of one's Life, in the sense of both time-span and diversity, and all of society, including its social and economic as well as its educational resources, then we must go even further than the necessary overhaul of 'educational systems' until we reach the stage of a learning society (Faure, 1972, p.xxxii).

For Boshier (2004) the key to the *Faure Commission Report* was this recognition and push for a learning society. He believes that the learning society is an, “integrated and democratized system of education” (p.4). A learning society would allow access to education for adult and young people, in formal and informal settings, throughout life creating greater opportunities for personal and societal growth.

Mundy (1999) suggests:

Beginning with the assertion that education has 'reached a dead end,' this document provides a unique window onto the way in which educational challenges presented by a new economic and technological era in the North were being linked to the increasingly inability of the world's governments to finance rapidly growing public demand for education (p.37).

This relates to her comments about UNESCO position of seeking funding for education for developing countries. In the global context the Keynesian welfare system's redistribution of wealth associated was being eroded as third world nations were not receiving their share of economic development money.

The *Faure Commission Report's* authors contend that, "any educational policy reflects a country's political options, its traditions and values and its conception of its future. Clearly, in the first place, it is a function pertaining to each State's national sovereignty" (p.170). This can be interpreted with Spring's (1998a) evaluation of the report, where he asserts that the, "learning society and lifelong learning.... are linked to political power" (p.205). This political power exists within a state and among states. Spring contends that the, "four assumptions are cast against a background of a Eurocentric interpretation of educational history. This historical interpretation fuses economic with political development" (p.206).

The report's authors viewed their time as one of revolution, "the scientific and technological revolution" and the "revolution in mass-media and cybernetics" (p.xxiii). It was also a time when revolutionary and dissenting thoughts on education were being discussed. The *Faure Commission Report* counters a revolutionary idea of education by suggesting that if they were put into operation they would be "reactionary" (p,xxxii) rather than revolutionary and would not lead to desirable outcomes.

Although influential, the *Faure Commission Report* had little real impact. This stems from the fact that in the 1970's the 1980's the world was a politically divided. Field (2001) contends that during this period, "policy innovations might be taken seriously by the contenders if they offered something of an advantage over their rivalries, but lifelong learning was just not a big enough stake in this struggle to make much of an impact" (p.8). Lifelong learning did not have a strong enough champion to push it forward, nor were the champions of lifelong learning in a strong enough position to make it an important element of social and educational policy.

#### *1973 – OECD's Recurrent Education*

In the year following the *Faure Commission Report* the OECD/CERI published *Recurrent Education: a Strategy for Lifelong Learning*, sometimes referred to as the *Clarifying Report*. "Recurrent education," as defined by the OECD (1973), "is a comprehensive strategy for all post-compulsory or post-basic education, the essential characteristic of which is the distribution of education over the total life-span of the individual in a *recurring* way" (emphasis in original, p.24). Papadopoulos (1994) believes that *The Clarifying Report*, "represents the nearest OECD ever came to advocating an explicit strategy of its own for the long-term development of educational systems in advanced, industrialized societies" (p.112).

The *Clarifying Report* deals with the, "ever-lengthening period of continuing education for youth" (OECD, 1973, p.5). It calls for a restructuring the education system by reforming the front end loading of the education. The crux of the report's argument is that adults should be allowed to enter back into the education system at different stages of their lives not just having access limited to their youth. Tuijman and Bostrom (2002)

suggest that, “the goal of recurrent education was the modification of the education system so that access to organized education would become available throughout the lifetime of each individual” (p.99).

Like the *Faure Commission Report*, the *Clarifying Report* deals with a need to reorganize the education system, but maintains a much narrower view of education. “The main argument of this report”, the OECD contends, “is that the essence of the educational opportunities as provided to the young ... should be made available to everyone throughout his entire lifetime” (OECD, 1973, p.25). This suggests that the OECD wanted to lengthen the availability of the formal education system, not widen it. Within their narrower view, the report authors see education as a way to solve the problem of, “inter-generation inequality” (p.64), implying that a younger, better trained generation, have an unfair advantage in the work place.

According to Field (2001), the aim of this report, “was to provide governments with practical ways of realizing lifelong education” (p.7). Tuijman and Bostrom (2002) explain that recurrent education was concerned with, “supplying labour markets with the skilled work force required to sustain economic growth” (p.100). This differed from a notion of, “lifelong education [which] sought human liberation and enlightenment in a learning society” (p.101).

Henry, et al. (2001) note that the *Faure Commission Report* and the *Clarifying Report* represented, “a complete rethinking of education as a system and a process in the context of the other (political, economic, cultural etc.) elements of the total social system” (p.109). Both were responding to demands of the time. For example, the *Faure Commission Report* was dealing more with the so called disjuncture between First and

Third World nations. The *Clarifying Report*, on the other hand, dealt with technological changes that were affecting the workplace and society in the West.

Schuller, Scheutz and Istance (2002) note that along with the *Faure Commission Report*, the *Clarifying Report*, “opened the way for a flow of policy analysis and prescription in countries across the world” (p.2). Both reports were written in response to societal change but their differences were important. In a crucial observation, John Field (1998) notes that the:

OECD’s contribution was couched more in terms of human capital thinking, albeit laced with a few dashes of social democracy. OECD’s ideal socio-economic model at this time would probably have been a pragmatic one, blending the dynamism and openness of the USA with the security and civic virtues of Sweden” (p.6).

For Tuijman and Bastrom (2002), “an important difference between the concepts of lifelong learning and recurrent education was thus that the former referred to all stages of education and life-wide education whereas the latter came to be associated with policies for the promotion of formal adult education” (p.99).

Like the *Faure Commission Report*, the *Clarifying Report* had limited long-term success. Rubenson (2004) attributes the lack of success to the time in which the documents came out:

The principles were put forward in a time when neo-liberal ideas started to take root and issues like equality, democratization and civil society were not the aspirations that came to inform the adult educational discourse in the coming years. In this political climate lifelong learning quickly disappeared from the policy scene. (The changing discourse on lifelong learning, p. 2)

For Henry et al. (2001) recurrent education did not have great success because:

As originally envisaged, recurrent education would have challenged the tenets of meritocracy and involved a major revision of administrative arrangements in member countries because of the need for intersectoral policy and administration at the time. The Minister for Education from the UK, Margaret Thatcher, Papadopoulos noted, was a particularly vigorous opponent (p.109).

(This was the same Margaret Thatcher who rose to become Prime Minister of Great Britain and who was a prime force in pushing forth policies of neoliberalism.)

Another factor, which limited the report, was a societal change: it became less stable due to the rise of neoliberal policies. Fields (2001) contends that in the 1970s:

Lifelong learning as concept was rooted on an economy of full employment.... Once the stable model of waged employment gave way to a more fragmented and turbulent labour market, combined with the shift towards consumerism that characterized the affluent western societies, the early conception of lifelong learning lost much of its appeal (p.8).

#### *1980s – UNESCO, The OECD, and Neoliberal Influence*

Roseberry (2002) believes that, “the capitalist world has been structured in specific ways at particular times, and, as part of periodic restructurings, there has also been a periodic making and remaking of space, on global, local, and personal scales” (p.62). The 1970s and 1980s were a time ‘of periodic restructuring.’ Western governments, under the influence of neoliberal policy makers, were pulling out of or downsizing their involvement in the welfare of society. Neoliberal thinking was separating Western governments from the Keynesian welfare state.

Papadopoulos (1994) identifies that in the 1980s:

The policy context for education had considerably changed as a result of the rapid decrease in economic activity consequent on the successive oil-crises, rise in unemployment, particularly youth unemployment, drastically contracting public budgets.... This was accompanied by a re-

ordering of social objectives and priorities with education losing its previously privileged social rank” (p.125).

Regarding lifelong learning, Field (2000) notes that, “for much of the 1980s, the international and intergovernmental bodies found relatively little to say on the topic. Tackling unemployment replaced earlier preoccupations as the central task for adult education and training” (p.7). This is not to suggest that little was happening within the OECD and UNESCO as both organizations were experiencing levels of restructuring. Of the two organizations UNESCO felt the greatest effects of restructuring as neoliberalism ate away at its very foundation.

Detailing changes and problems that occurred within UNESCO, Mundy (1999) points out that, “disagreement between Third World and Western members over the organization’s broader purposes and roles” led UNESCO to search “unproductively for a core rationale or set of goals with which to bridge the radical demands of developing countries and the liberal, developmentalist ideologies of its core country members” (p.39). In the 1960s, developed countries had demonstrated a willingness to aid developing countries, but by the 1980s the willingness had dissipated. This is not to suggest that all aid had ceased but there existed a desire of the developed countries to rethink how it should be done and the role of international organizations in dispersing aid. By 1984, the US, Britain, and Singapore had pulled out of UNESCO (and, to date, have never reentered). Mundy reckons that the effect of, “these withdrawals cut Unesco’s already small core budget by almost 30%, setting the stage for a further decline of the only mechanism for postwar educational cooperation founded on universality of membership and the equal participation of nationstate members in decision-making”

(p.42). This pull out of the US is symptomatic of the Americans continued desire to have hegemonic in any international organization in which it has membership.

The OECD also experienced changes in the 1980s but not to the extent of UNESCO. The 1980s can be characterized as a period when UNESCO was battling the tide of globalization and neoliberalism while the OECD was incorporating the language of globalization and neoliberalism into its policies. This is exemplified in 1985 when the OECD produced two companion reports titled *Education in Modern Society* (1985a) and *OECD Ministers Discuss Education in Modern Society* (1985b). In these reports the OECD uses neoliberal doctrines to guide its views and policies on education.

Careful not to solely blame the education system for the high unemployment and economic recessions, the first report suggests that education is not living up to its responsibility:

One fact is that growth faltered with the recession of 1973, 1979 and the early 1980s, at the very time when, according to the theories, countries should have been reaping the economic benefits of rapid educational expansion. Though few contended that education alone guarantees growth, the confidence of earlier economic theories of education was undermined (OECD, 1985a, p.26-27).

The second report notes, “both government and the general public today insist upon receiving value for money” (OECD, 1985b, p.11). The suggestion is that education has not provided the security or mechanisms required to avoid recessionary periods. Thus, the role of education needed repositioning:

The notion of ‘crisis’ of the Welfare State, particularly in the financial means to sustain it, has acquired greater currency. Yet as economic recovery takes hold, it becomes apparent that finance is not the whole of the matter and that the rightful role of the public authorities, the place of State provision and alternatives to it, are becoming the subject of serious policy debate (OECD, 1985a, p.10).

The influence of neoliberalism and the belief that education needed to be restructured is obvious in the following statement issued by the OECD's Business and Industrial Advisory Committee (BIAC) to the ministers of the OECD:

The education system is confronted with the need and challenge to renovate its structures and mechanisms.... However, since education must bear its share in reducing public spending, in line with governments' efforts to restore health to national finances, this renovation must be carried out within tight budgetary limits (OECD, 1985b, p.50).

The reports pick up on changes in the workplace by noting that, "a further feature of 'post-industrial' societies is that people are employed increasingly in services, rather than the primary and secondary sectors of agriculture and industry" (OECD, 1985a, p.20). Changes in the workplace are seen to be promoting urgent changes in education. Education becomes synonymous with qualifications. Qualifications are seen as a prerequisite to avoid unemployment because, "the risk of unemployment is much higher for those with few or no educational qualifications" (OECD, 1985a, p.20). This pushes forth the connection of the term education to skills training: by the 1990s 'education and training' starts to replace the term education in most OECD documents.

Due to changes in the post-industrial society, the OECD (1985a) notes that, "it is widely recognized that education (including training) supports the economy and can shape its performance and development. Modern economies require, more than ever, high levels of skill and flexibility of the labour force" (p.25). This more explicit focus on the economy represents a telling shift in priorities away from the earlier and much broader ideal of education for the betterment of the individual that had prevailed under welfare state capitalism. Writing specifically about adult education, the OECD suggests that:

Greater opportunities for adult training and retraining is a priority. The training capacity of the public institutions has been build up in relation to the lower levels of unemployment of the post-war years when there was less need for policies to promote the structural redeployment of the labour force. Policies in this area should help retrain older workers, often immobilised geographically by the costs of moving and by social and family ties, through further skill training which preserves the value of their accumulated experience and helps them compete with other workers on a broadly equal basis (OECD, 1985a, p.31).

An example of efforts at the time to shift the view of education from a Keynesian view to a neoliberal view is evident in a discussion among the Education Ministers of the OECD member countries, in 1985. To begin, Mr. Maravall, the Spanish Minister, proposes a UNESCO view of education as he, “underlined the fundamental need for everyone to receive a rounded, humanistic education that is neither too narrow nor closed to the outside world” (OECD, 1985b, p.18). He adds, “all too often...education is used as an excuse for the failures of economic policy” (OECD, 1985b, p.18). The Danish Minister, Mr. Haarder, agrees with Mr. Maravall but connects education to the economy by stating, “that education is a necessary condition of economic progress -- alone insufficient, but certainly necessary” (OECD, 1985b, p.19). The Minister from the United States, Mr. Jones, disputes the UNESCO view of education as he, “expressed serious concern about the problem of structural unemployment and the need to find a coherent national response to it” (OECD, 1985b, p.20). By the time Mr. Jones’ has finished commenting, the discussion about education had been reframed, exemplifying the shift towards a neoliberal stance.

Rubenson (2004) states, “at the end of the 1980s, the OECD again turned its attention to education as the generator of economic growth within a political landscape that had dramatically altered since the 1960s”. The preceding two documents helped identify the

transformation of the OECD to an organization that was accepting of neoliberal thought and helps make the connection to the next, or 'second generation' lifelong learning. These texts helped influence the position of lifelong learning in the international adult education discourse by revealing how neoliberalism has influenced the development of our current notions of adult education. As will shortly be seen, the learning city is a product of this development.

### **The Second Generation of Adult Education**

Rubenson (2000) observes that the two generations of lifelong learning, "seem to be informed by competing ideologies, are rooted in different policy imperatives on education and contain markedly different notions of what the principle of lifelong learning should look like" (para.3). He continues with this assessment of the second generation:

Judging from national policy documents as well as those coming from intergovernmental organizations like EU, OECD and UNESCO it is evident that lifelong learning has become the New Jerusalem by promising to solve some of the economic and social problems facing the industrialized world (para.6).

In both generations, the OECD and UNESCO envisioned lifelong learning to be an agent for social change. While UNESCO tended to stick with the ideal of education to solve social problems, the OECD increasingly pressed for a view of education as a means to solve economic problems. Since the 1980s, business and industry, which needed a greater supply of highly skilled workers and a desire to expand their consumer's base, have become more influential in government education policy. Schueller, Schuetz, and Istance (2002) contend that, "with the economic crises of the 1980s... companies, especially those caught up most by scientific and technological change, greatly increased

their investment in the continuing education and training of at least sections of their workforce” (2002, p.6). The growing influence of business on the policies of the OECD generated even more pressure to restrict the view of lifelong learning according to economic imperatives.

### *1989 – Education and the Economy in a Changing Society*

This new, business influenced, vision for the OECD was realized in the 1989 report, *Education and the Economy in a Changing Society*. This is a report that confronts the challenge of how to use the individual and society to help the national economy, not how the economy can be used to help society. It advocates the notion of education being needed for competitive advantage. As such, it is strongly representative of the shift to neoliberalism.

J.C. Paye, secretary of the OECD at that time comments that, “each individual must provide the intellectual apparatus that will enable him, as and when needed, to acquire knowledge that is in a constant state of evolution” (OECD, 1989, p.7). This relates to Margaret Thatcher’s government putting the onus on the individual to keep up with employment needs. Education has been placed into the equation of social Darwinism – who ever has the best educational qualifications has best chance of succeeding in a capitalist consumer society.

In the opening statement of the report, the Hon. John Dawkins M.P. (Australia) writes:

The comparative advantage of many OECD countries has stemmed from the quality of the workforce. However, the rest of the world has seen and learnt from our experience and is acting accordingly. There is no room for complacency – rather, an urgent need to upgrade the quality of our

education and training if we are to retain and strengthen our positions in the future (OECD, 1989, p.11).

In this statement, Dawkins supports the neoliberal notion that education can help global elites gain and maintain their dominance through economic means. Concerned about any potential rise in competition that might threaten the position of Australia's economic power, Dawkins also reiterates how important it is for dominant states to commit whole-heartedly to the OECD view of education to ensure continued predominance. This is an important element of the OECD agenda. Throughout the world, states increasingly were left with the feeling that, unless they took seriously the OECD recommendation that education should be tailored to meet the human capital development needs of a country, that country could easily slip behind more its more competitive neighbours.

The *Education and the Economy in a Changing Society* report, perhaps more explicitly than any other OECD report, ties education to the economy and economic outputs, while also tying the economy to societal health. To best support society at large, any investment in education should therefore aid the economy first. The rising tide of economic productivity would result in social benefits that would support greater consumer capability. The OECD's commitment to this idea of putting the economy ahead of society is evident in remarks such as, "there exist today widespread agreement that education and skill development among adults should no longer be considered as a 'social cost' but as an economically useful investment in tangible resources without which other forms of investment in material investment will yield sub-optimal results" (OECD, 1989, p.49). Sub-optimal results would be lower income levels.

There is also a certain level of Western superiority in the 1989 report as it suggests that, “in an open economy, the competitiveness of the workforce is closely connected with its ability to acquire the right kinds of knowledge and skills, and hence also with its general level of cultural sophistication” (OECD, 1989, p.17). How ‘cultural sophistication’ is understood is not defined but the OECD is setting up a attitude of competition as to who has the ability to acquire the ‘right kind of knowledge and skills’. This feeds into the neoliberal notion of separating the elite from the rest of the world.

Rubenson (2006) sums up the importance of this report in perspective as follows:

The 1989 OECD report quickly became a bible not only for ministers of education but also for their colleagues holding labour portfolios. In fact it is difficult to find any policy document where educational policy is not discussed in the context of the challenges and threats of global competition and new technologies. In the OECD’s search of an overarching strategy to address the new challenges, the principle of lifelong learning made its comeback.

This report was published at a landmark point in our modern history with a ‘new world order’ emerging as the Berlin Wall came down announcing the end of the cold war. Henry at al. (2001) suggests that when, “the Cold War ended, the situation is very different as the OECD attempts to position itself within a ‘new world order’” (p.158). While the 1985 companion documents provide evidence of the growing influence of neoliberalism, by the 1989 report, neoliberal ideas have become completely predominant. For the rest of the 1990s, the OECD put the policies in action.

#### *1990s – The OECD and EU Gaining Hegemony and Human Capital (part II)*

Like the early 1970s, at the beginning of the 1990s, several supranational organizations – most notably UNESCO, the OECD, and the European Union – published

documents positioning themselves within the discourse of lifelong learning. It was at this juncture that the great differences between the OECD (and the EU) and UNESCO became most apparent. Morris (n.d.) suggests that the UNESCO position on lifelong learning, “has been diluted within the more traditional sectors of education” (p.8). The OECD and the EU, Morris continues, take, “a much more consistent and aggressive approach both analytically and in terms of policy formation and encompassing both the economic and social rationale of such an approach” (p.8).

A 1995 report written by the Commission of European Communities, which highlighted the EUs position on lifelong learning, was the *White Paper on Education and Learning: Teaching and Learning, Towards the Learning Society*. Reiterating the neoliberal policy of social Darwinism, the crux of this report was strategies to make Europe more economically competitive through education initiatives. The *White Paper* offers little to broaden the notion of lifelong learning; indeed, if anything it advocates narrowing the focus of the term. Education, it suggests, should commit explicitly to addressing, “the concerns of every European citizen, young and adult, who faces the problem of adjusting to new conditions of finding a job and changes in the nature of work” (p.1-2). The *White Paper* adopts the recurring chant, also increasingly prevalent within the OECD, of ‘education and skills training’ as a way to help citizens adjust to economic and social changes.

The authors of the *White Paper* felt that they had provided the definitive education document. They go so far as to title a section, “the end of debate on educational principles”. The reasons for the end of the debate include:

A broad knowledge base and training for employment are no longer two contradictory or separate things.....Bridges are being built between school

and the business sector....The principle of equal rights in education is being applied increasingly in the context of equality of opportunity.... The dawning of the information society...has now revealed new demand for education and training and has started to renew teaching approaches, while facilitating the development of contacts and links between teachers and institutions on a European scale (1996, p.23-24).

For Kallen (2002), the *White Paper*, “largely reflects the dominant ideas about economic growth and the key role of education and training in that growth” (p.37). This paper sees education as primarily serving business and economic growth. Kallen adds that the *White Paper*, “assigns to lifelong learning a key role in bringing about the new society with its free flows of information, knowledge, goods and persons, and with a flexible and disposable labour force” (p.37). Perhaps more clearly than anywhere else, the *White Paper*, promotes a view of adult education that has shifted from lifelong learning to lifelong earning. Creating a ‘disposable labour force’ fits into the neoliberal discourse as it is of benefit to business. How it can help create a stronger society remains unclear.

#### *1996 – Learning: the Treasure Within*

As already noted, by the 1990s, UNESCO had lost its hegemony in world educational policy. Rubenson (2006) contends that, “by the end of the 1980s, UNESCO had lost much of its influence on educational issues to other supranational organizations like the OECD, EU and the World Bank” (p.14). Rubenson goes on to suggest, “to regain some of the initiative in the international debates on education the Director General of UNESCO put together an international commission chaired by Jacques Delors, the former President of the European Commission, to reflect on education and learning for

the twenty-first century” (p.15). The report they wrote is titled *Learning: the Treasure Within*, more commonly referred to as the *Delors Report*.

The *Delors Report* (1996) reads like an extension of the *Faure Commission Report*. It deals with the:

Need to rethink and broaden the notion of lifelong education. Not only must it adapt to changes in the nature of work, but it must also constitute a continuous process of forming whole human beings – their knowledge and aptitudes, as well as the critical faculty and the ability to act. It should enable people to develop awareness of themselves and their environment and encourage them to play their social role at work and in the community (p.21).

This is reflective of UNESCO’s position of trying to balance the capitalists/neoliberal influence of limiting lifelong learning policy with the socio/economic concerns of the global village.

The *Delors Report* accepts the neoliberal requirement of education policy being set to meet the demands for training in the work place. It also takes a page from the *Faure Report* by emphasizes the ‘*learning to live together*’ pillar:

The Commission has put greater emphasis on one of the four pillars that it proposes and describes as the foundations of education: *learning to live together*, by developing an understanding of others and their history, traditions and spiritual values and, on this basis, creating a new spirit which, guided by recognition of our growing interdependence and a common analysis of the risks and challenges of the future, would induce people to implement common projects or to manage the inevitable conflicts in an intelligent and peaceful way. Utopia, some might think, but it is a necessary Utopia, indeed a vital one if we are to escape from a dangerous cycle sustained by cynicism or by resignation (p.20).

The potential of the *Delors Report* to influence national educational discourses was weakened by the fact that UNESCO is a worldwide organization. As such, it has to address issues in a broad context. In contrast, the OECD, which represents a select group of countries, can maintain a much narrower focus. The ‘Utopian’ view of education that

the *Delors Report* promotes were soon revealed to be far less influential on government decision makers than the much more “hard-nosed” policies of the OECD.

The real weakness of the *Delors Report* can be found in Mundy’s (1999) comments that, “the Delors report offers little critical analysis of the deteriorating commitment of northern countries to redistributive multilateralism or of funding alternatives for the renewal of multilateral efforts in social policy fields” (p.47). This contrasts with the 1970s, when UNESCO was used as an agent of the Western capitalist states to share development aid with the economically impoverished parts of the world, partly for humanitarian reasons and partly as a way to spread capitalism to third world countries which would also help confront communist influence. By the 1990s, the first world had adopted neoliberal policies which caused debtor nations to severely cut funding to all welfare programs and pay heed to economic goals foisted upon them by funding nations and organizations. Neoliberalism had sucked any hint of humanitarianism out of third world economic aid and weakened the influence of UNESCO. In this climate, the *Delors Report* could have little effect on lifelong learning discourse.

#### *The OECD Redefining Human Capital*

The vision of lifelong learning articulated by the European Commission’s *White Paper* largely prevailed in two important OECD publications; *Measuring What People Know* (1996a) and *Human Capital Investment: an International Comparison* (1998). In these documents lifelong learning is positioned as a contributor to human capital development. Education is framed as a tool for high-technology economies that rely on highly skilled workers, as well as for workers who need upgrading, to stay ‘competitive’.

Any pretext for education being beneficial for civil justice or the benefit of the individual is virtually absent in these documents.

Rikowski suggests that human capital is a product of our modern capitalist world and is best defined as, “humans as capital” (2000). The individual has become a cog in the capitalist wheel of economic betterment. Competition is prevalent at all levels, ranging from the local to the international. Allocation of educational investment is driven by economic imperatives, reducing education to, “knowledge acquired for use in the workplace” (OECD, 1996a, p.82).

*Measuring What People Know* defines human capital as, “the knowledge that individuals acquire during their life and use to produce goods service or ideas in market or non-market circumstances” (p.22). In *Human Capital Investment: an International Comparison*, human capital is defined as, “the knowledge, skills, competences and other attributes embodied in individuals that are relevant to economic activity” (p.9). Later the 1998 document gives a firmer, colder, definition of human capital:

The quantity of human capital investment can most readily be measured through two resources devoted to learning: money and time....The amount of money spent by individuals, companies and governments on training and education, and the time spent by participants in courses of study, serve as useful approximations of human capital formation. In practice, the concepts of time and money investments overlap, since forgone earnings can be an important element of the cost of learning that takes place beyond compulsory schooling. Both time and money expended are indirect measures of capital formation, since a dollar of spending or an hour of study produce highly variable types and quantities of human capital (p.35).

*Measuring What People Know* and *Human Capital Investment: an International Comparison* were written by accountants and economists. Their understanding of education policy is limited to educational investments that generate the greatest economic

returns. The goal of education is to support in the market and workplace, all of which “will lead to improved economic performance” (OECD, 1996a, p.85). As Spring (1998a) cautions, “policies for these purposes create situations where the individual worker is manipulated by the state in the interest of the marketplace” (p.127).

Like the EC, in these documents the OECD cloaks its argument of education and training for economic growth in the guise of being socially responsible. They offer arguments such as, “the cost of inadequate investment in young people’s human capital cannot just be measured in relation to the labour market. Associated problems of social exclusion, higher crime and poverty may carry even greater costs” (1998, p.57). As a spin-off effect, investment in human capital offers a way to a safer society. “Human capital investment can also give rise to a wide range of non-economic benefits including greater social cohesion, lower crime and better health” (1998, p.53).

Writers of these later OECD documents also incorporate an idea identified in the 1985a OECD Report *Education in Modern Society*, that education is an important screening condition for employers. Baptiste (2001) identifies this and combines it with the OECD use of the human capital:

The human capital theory that the OECD endorsed, however, is markedly different from the 1960s version.... the OECD incorporated elements of the screening hypothesis into its revised model. Unlike its earlier framers, the OECD contended that education and training perform important screening functions that are likely to positively affect worker productivity regardless of whether or not the training provides specific, job-related skills. The key, according to the OECD, appears to be the ability of workers to cope with technological changes and to turn them into advantages in the future. The OECD believed that education, through its screening function, streamlines the available pool of flexible and adaptable workers and consequently enhances the efficiency of both the recruitment and production (p.188).

It was within the context of this restrictive and increasingly neoliberal discourses of lifelong learning that prevailed in the OECD of the late 1980s and early 1990s that the parameters of the learning city were first defined. As originally conceived, the learning city was to help create the conditions consistent with the neoliberal vision of economic and social development. From the very outset, it was a competitive tool, designed to help in the screening and development of human capital.

## Chapter 5

### The OECD and the Learning City

One of the main stimuli for this thesis was my early discovery that there is no clearly articulated historical account of the idea of the learning city. As will be related below, some learning city pundits like Longworth (n.d.) and Schrey-Niemenmaa, Rintamaki, and Tormala (2003) vaguely trace the rise of the idea of the learning city to the early 1970s and link it to other prominent notions of the time like the learning society and recurrent education. Other than these rather nebulous accounts, however, the origins and use of the term in these early years remains murky. Things become much clearer in the early 1990s, however. As almost all commentators relate, at that juncture, the idea of the learning city moved center stage when it began to be promoted by the OECD as a means to guide urban regeneration in the EU.

#### Origins of the Learning City

##### *Educating Cities Initiative*

Evidence that the notion of the learning city extended earlier than the 1990s is very slim and anecdotal, at best. Longworth's (n.d.) suggestion, for example, that the OECD *Clarifying Report* outlines how the notion of the learning city originated, "in the 1970s, [when the] OECD funded a project to create learning cities" is suspect. Close examination of the *Clarifying Report* shows no indication of any such project. Like Longworth, Schrey-Niemenmaa, Rintamaki, and Tormala (2003) also tie the learning city to the 1970s. They relate how, "in the early 1970s the concept of the learning or

educating city came into use” (p.161). Regrettably, they do not provide any documentation to back up their assertion. Cara, Landry, and Ranson (1999) also trace the notion of the learning city back to the 1970s, but, in a crucial observation, add that, “it developed real momentum after a report of a conference organized by Barcelona City Council in 1990 – *The First International Congress on Educating Cities*. The report of this conference contains the beginnings of the ideas incorporated in the concept of the Learning City” (p.7-8). The learning city is an offshoot of the educating city project, a project which morphed into the International Association of Educating Cities (IAEC). (This association signed its charter in Barcelona in 1990 and now has over 300 member cities.)

An early contributor to the OECD debates on the learning city, Donald Hirsch (personal communication February 09, 2008), who provides the most accurate description of the events that led to the learning city. Hirsch details how the CERI was planning to hold part of the Educating Cities conference series in Gothenburg, Sweden. Before the conference was due to start, the Swedes raised concerns about the Educating City being focused on youth education and not put enough focus on lifelong learning. CERI, in response to the Swedes, starting to change focus of on learning spread across ones life.

Prior to the second congress, CERI commissioned Hirsch, to visit seven OECD cities and study their use of lifelong learning. His report, *City Strategies for Lifelong Learning* (also known as the *Hirsch Report*), was presented in 1992 at the Gothenburg Conference and published in 1993 by CERI/OECD. The *Hirsch Report* has since become an important cornerstone on which the learning city has been structured.

### *The Hirsch Report*

The impetus behind the educating and learning city initiatives can be located in the late 1980s and early 1990s when the OECD and CERI were becoming involved in the idea lifelong learning. In particular, they were interested in training adults to be active participants in an ever changing workforce. Hirsch (1993) identifies that at a:

Meeting in Paris in 1990, [in which] the education ministers of the 24 OECD countries, described initial education as “a start to lifelong learning”, and identified as one of their aims the development of new learning opportunities and systems for adults to “allow them to participate actively in today’s rapidly changing labour market and society” (OECD, 1993, p.11).

The motivation for CERI/OECD to commission the *Hirsch Report* was, “an attempt to discover whether a strategy to create a culture of lifelong learning can be developed at the city level” (p.8). The idea of debating ‘whether a culture of lifelong learning can be developed’ in a city is misleading, for cities have long been recognized as places of particularly vibrant learning processes. More accurately, the purpose of the report was to look, not at broad learning processes, but at a specific, narrower view of lifelong learning tightly tied to the needs of economic development. Instead of considering lifelong learning in a holistic way, the report narrowed its view and considered, “the need to adjust to structural economic change by equipping workers with new skills applies as much to the city as to the national or international level” (CERI, 1993, p.21).

A key part of Hirsch’s report was his observation that cities have long been weak links in the delivery of education. Hirsch contends that, “the public authorities in cities have not been well placed to take an overview of lifelong learning” (p.15). Regarding lifelong learning, Hirsch observes that, “in most cities...no single institution has a responsibility for provision throughout the lifecycle” (p.23). Although they are home to educational

institutions, Hirsch views cities as not being part of the education system because, “higher education institutions are relatively rarely controlled by cities” (p.15). The result of not having control of the educational institution is that, “curriculum may be determined by a provincial or national ministry” (p.15). In essence, cities are host to education institutions and are contexts of extensive lifelong learning but, for the most part, have little influence in education discourse.

Hirsch recognizes that, “cities may play an important role in ensuring that initial education opportunities... are followed up with opportunities in adult life, whose provision can be more haphazard” (p.18). Being haphazard in delivery makes lifelong learning difficult to structure, control, and influence, but if incorporated into an urban strategy, an opportunity arises to give structure to the unstructured concept of lifelong learning. Maybe not all facets of lifelong learning and adult education could be given structured and controlled, but some elements, especially those which pertain to the workplace, could be.

The *Hirsch Report* separates lifelong learning into realms of formal and informal learning. It values informal or cultural learning as a lesser form of learning. Hirsch observes that, “the cultural life of a city-museums, festival, libraries – sets the context of informal learning and helps shape the interests of the population” (p.15). Later, Hirsch questions whether it is, “realistic to link cultural participation with lifelong learning, or is it simply a form of leisure?” (p.22). Removing ‘learning for leisure’ from the lifelong learning debate narrows the focus of education to learning for work or skills learning. Narrowing the focus creates opportunities for controlling education as it allows for measurable outcomes.

By noting the benefits that lifelong learning could have for employers, because education institutions have the ability to train and educate for the workplace, the *Hirsch Report* connects education and lifelong learning to workplace education. This is something businesses may be incapable of doing or unable to afford. Hirsch observes that, “there is an increasing realisation of the advantages of company-based training, yet much training expertise resides in external institutions – so partnerships between companies and colleges are growing” (p.21). This suggests a neoliberal inspired form of partnership between business, city government, and educational institutions.

The *Hirsch Report* was written at a time when cities and towns, particularly in the OECD, were being hit by high unemployment due the shift from an industrial based economy to a service based economy. The shift in the economy had businesses seeking employees who could be trained, and retrained, to meet the high pace of change in the workplace. This brings the *Hirsch Report* in line it with the OECD’s, *Education and the Economy in a Changing Society* (1989), which calls for, “efficient strategies of preventative upskilling and retraining for those threatened by displacement” (p.43). In the backdrop was the OECD’s and EU’s fear mongering concerning unemployment being the cause of social unrest.

To strengthen its credibility, the *Hirsch Report* uses the standard OECD method of peer review or surveillance. In this case, seven OECD cities were used as comparative benchmarks. The cities were selected because they, “have in some way adopted strategies to encourage their inhabitants to continue learning throughout their lives” (p.8). Through comparison of each of the seven cities, Hirsh developed the structure of the learning city.

Although erroneous in his reference (Faris refers to the 1992 conference as a *learning* city conference when, in fact, it was an *educating* city conference), Faris (2006) does outline the importance of the Gothenburg conference. As he relates, “it was a 1992 OECD conference on learning cities in Gothenburg, Sweden that launched what became the world-wide learning communities movement – and resulted in OECD learning region projects in Europe following the 1996 European Year of Lifelong Learning” (p.8). The conference pushed the notion of workplace lifelong learning in cities into the public domain.

Inspired by the educating cities conferences (Gothenburg was part of a series of conferences), Yarnit (2000) notes how, “by the early 1990s there were a good handful of UK cities which had taken the title *Learning* to themselves, including Liverpool, Sheffield, Edinburgh. The inaugural meeting of the Learning City Network itself took place in January 1995” (p.18).

### *Defining the learning city*

It is important to note how, with minor variations, most advocates of the learning city adhere to the basic notion of the learning city articulated by Hirsch and promoted by the OECD. Admittedly, there is no agreed upon definition of a learning city. It is an evolving concept with new participants and their views constantly enter the discourse about it. Despite its evolving nature, it is still helpful to look at how the learning city is understood by the main advocates of the idea. For the most part, the initial formulation of the learning city as a notion tightly allied with OECD notions of economic development has limited the scope of how the concept has been imagined.

*In Practice Progress and Value: Learning Communities: Assessing the Value They Add* (1998), written by the Department for Education and Employment, Great Britain, the learning city is described as:

In practice a “Learning City” may be a city, town or community- regardless of its location or size. A Learning City addresses the learning needs of its locality through partnership. It uses the strengths of social and institutional relationships to bring about cultural shifts in perceptions of the value of learning. Learning Cities use learning as a way of promoting social cohesion, regeneration and economic development which involves all parts of the community (p.5).

Cara, Landry and Ransom (1999) asserted that the “key characteristic” of the learning city:

Is its ability to develop successfully in a rapidly changing socio-economic environment...It nurtures the potential of all, because it understands that in the emerging knowledge based economy it is the capacity to learn and reflect in all its facets, in responding to urban challenges that will largely determine success or failure. It knows that knowledge is more than information (p.6).

Henderson, Castles, McGrath and Brown (2000), writing for Adult Learning Australia, provide this description: “Learning community explicitly links learning to social and economic well-being. By focusing on innovation and enterprise, learning community initiatives can encourage economic and skill development in various ways” (p.9). It is interesting to note that throughout their report the terms learning city and learning community are used interchangeably. In a 2003, Candy described how, “Learning Cities harness resources across the community – knowledge, social networks, environmental assets and financial capital – to enable local people and organizations to develop skills, knowledge and values” (para.1). These are skills, knowledge, and values that relate first to the workplace. Also in 2003, Boshier commented that, “learning cities

are committed to learning as a core of development. They seek to sustain economic activity by combining lifelong learning, innovation and information technology” (Defining the city, para.3).

In 2006, Faris contended that the learning city, “provides a coherent, integrated and comprehensive approach to organizing and mobilizing existing and future lifelong learning resources necessary for individuals and communities to face the ever-changing challenges of the knowledge-based economy and society of the 21<sup>st</sup> century” (p.4). Faris also suggests where and how the learning city should be located with an urban area:

It appears important that the initiative be housed in a “neutral space” that is seen by partners from all community sectors as “non-threatening, non-competitive and belongs to the whole community” and fosters cross-sectoral partnerships that address local issues and build community capacity” (p.36).

This goal of locating the initiative in a ‘neutral space’ is commendable but, as learning city literature confirms, it is inaccurate.

### *The Structure of a Learning City*

The OECD (2001) report, *Cities and Regions in the New Learning Economy*, places the learning city within a broader learning region structure of lifelong learning. In this report, the OECD denotes the difference and connection between learning city and learning region. According to the OECD, a learning city refers to, “learning as the acquisition of knowledge, understanding, skills, and so forth by individual people, through participation in some form of education, formal or informal” (p.8) at the city level. Referencing the work of Florida (1995), the report suggests learning regions emphasize:

The significance not simply of individual learning, but also of “learning” which takes place within and between organisations (firms, research institutes, economic development agencies, etc). Here, the emphasis is on continuous innovation (in products, processes and wider work organisation) as the key to competitiveness (p.8).

Structurally the learning city can be understood as providing individual learning at the urban level, which feeds into organizational learning at a regional level.

Donald Hirsch (1993) identified a problem posed for adult education at the city level, “beyond schooling there is no single ‘system’ conveniently managed by a centralised public structure” (p.9). The learning city was created to provide an opportunity to develop a ‘centralised public structure’ to manage lifelong learning in the urban context. The objective is to produce structure in a previously unstructured setting. Through the creation of an identifiable structure, citizens have a clearer defined portal into lifelong learning opportunities. Longworth (1999) contends that the learning city, “provides both a structural and a mental framework which allows its citizens to understand and react positively to change” (p.110), most probably changes in the workplace.

The management of this structure has been identified as a partnership among the elite of urban governance; business, government, education providers, and community groups. This partnership should operate as a cooperative, in which all stakeholders have an equal amount of influence; instead it operates like a corporation with business and industry having greatest influence in urban governance. This influence occurs at both the regional and urban level: business and industry control the objectives of lifelong learning in the learning city.

### *Learning City Objectives*

The objective of a learning city is to build a strong urban economy using a narrowly defined the concept of lifelong learning. To attain this objective, lifelong learning opportunities are re-evaluated and adjusted to keep them in accordance with the economic policies and social goals of the city and/or state. Re-evaluation and adjustments to lifelong learning are guided by the well healed neoliberal doctrine that the acquisition of skills will allow individuals, the city, and the region to become more competitive and socially cohesive. The importance of indoctrinating society with this belief is to create a sense of fear among adults that those who do not become part of the new economic order will be left behind and society will deteriorate.

John Field (2000) contends that, “with public attention focusing mainly upon the school system and higher education, adult education stood somewhat to the margins” (p.101). One of the chief objectives of the learning city, therefore, is to pull adult education in from the margins. Being more central, adult education can be used to pull the unemployed (and under-employed) in from the margins of society, train them for employment, and allow them to become more self-sufficient. This can best be achieved under the umbrella of partnerships between business, city government, community groups, and education providers. Yarnit (n.d) describes the partnerships of Glasgow, Scotland:

The priority, therefore, is to raise the skill levels of the workforce but also to re-engage young people and adults in learning, 30,000 of them over the next few years. The solution is REAL – that is the name for a city-wide network of learning centres designed to drive up participation rates. REAL is a physical and virtual network involving education, business, libraries and community groups, and strongly backed by Scotland's University for Industry (SUFI) and Scottish Enterprise – Glasgow (p.3).

The OECD's desire to re-educate adults can be traced back to the *Clarifying Report* which sought to use lifelong learning as an avenue to allow adults to return to the formal school system. This issue was identified again in 2000, when the Commission of European Communities published *A Memorandum on Lifelong Learning*, which noted, "the knowledge, skills and understanding we learn as children and as young people in the family, at school, during training and at college or university will not last a lifetime" (p.7). The learning city provides a structure to reach the objective of re-educating adults for the workforce by envisioning a formal and informal system in which adults can meet specific developmental objectives. The learning city also provides a slogan around which a specific type of adult education can be promoted.

#### *Learning City Promoted as...*

The learning city is being promoted around the theme that education for the economy will assist social regeneration and help build stronger sense of community. In *Practice Progress and Value: Learning Communities: Assessing the Value They Add* (1998) it is noted that the, "Learning Cities explicitly use learning as a way of promoting social cohesion, regeneration and economic development which involves all parts of the community" (p.5). This theme of social cohesion is in accordance with the EU's 1996 *White Paper*, which stated that, "a new focus for education and training policies is needed now, to develop capacities to realize the potential of the 'global information economy' and to contribute to employment, culture, democracy and, above all, social cohesion" (1996, p.15).

In *Human Capital Investment* (1998), the OECD links education and employment to social well being. "[T]hose with higher levels of education are more likely to participate

in the labour market, face lower risks of unemployment, and receive on average higher earnings” (p.54). This produces “spin-off,” which, “may affect public health, crime, the environment, parenting, political and community participation and social cohesion, which in turn feed back into economic well-being” (p.66).

Longworth (2003) contends that the need for learning and need for work are intertwined, “put simply, to stay employable is to stay learning, and vice versa” (p.41). Within the OECD’s and the EU’s view of lifelong learning there is a sense that without a strong economic *structure* there will be social exclusion and societal break down. Human capital feeds the economy and everyone is safe or at least ahead of the competition. Social cohesion will be fashioned by the unstated equation; a good education leads to good employment, which, in turn, leads to financial security, produces happiness and contentment, and an economically competitive society.

#### *Learning City Promoted By*

It is interesting to note that the OECD, while tied to the development of the learning city is not counted among the promoters of it; this is left to several, mostly European, organizations, one of which is the PALLACE project. Lee (2003) describes the PALLACE (Promoting Active Lifelong Learning in Australasia, Canada, and Europe) project:

Working under the overall management of Napier University in Edinburgh, Scotland, the meta-project focuses on various aspects of a learning community. Each community leads one project and acts as a second on another, although all can participate in as many of the projects as wished” (p.6).

Norman Longworth (2006), who is associated with Napier University, depicts the PALLACE project as a, “pioneering project established multilateral links between cities,

creeds, cultures and countries to facilitate the building of a new learning and understanding world” (Where is it happening, para.1).

Also involved with the learning city is the European Lifelong Learning Initiative (ELLI), an organization which draws membership from all European Union countries. This organization has gone so far as to develop a charter for the learning city that begins with, “we recognise the crucial importance of learning as the major driving force for the future prosperity, stability and well-being of our citizens....We declare that we will invest in Lifelong Learning within our community” (Longworth, p.206, 1999).

### *Learning city ecosystem*

During the 1990s, the urban culture most conducive to hosting a learning city was one experiencing high unemployment caused by economic difficulties. This was highlighted in Martin Yarnit’s (2001) report, *Towns, Cities and Regions in the Learning Age: a Survey of Learning Communities*:

A legacy of the successive economic shocks of the last twenty five years is the collapse of unskilled and semi-skilled employment, especially in manufacturing and extractive industries. Many people who are looking for employment, especially those who have never worked or who have been unemployed for lengthy periods, have lost touch with employers’ requirements (p.69).

Yarnit’s report paints an image of urban wastelands caused by economic crises and high unemployment. Yarnit describes, “the decline of employment in fishing, the docks and manufacturing highlighted Hull’s long-standing problem of under-achievement” (p.31). He comments about Kent Thames-side, where, “there are also large swathes of derelict land, the legacy of the de-industrialisation of the waterfront in the 1970’s and 80’s, and crumbling urban centres” (p.33). It was for cities within this milieu that the learning city was envisioned.

The role of the learning city, as suggested by Morris (n.d.), was, “to provide a means of bringing together the growing imperative of lifelong learning for all” (p.9). Morris suggests that the impetus behind it was to try and help with, “the renewal and revitalisation of declining cities, towns, and regions” (p.9). This impetus behind a learning city is also mentioned by the OECD (2001), it suggest that, “those cities and regions that were the heartlands of primary and manufacturing industry during the industrial epoch, have borne the brunt of adjustment to the new circumstances” (p.7). Exemplifying this is the city of Jena, Germany.

Jena, part of the former East Germany, suffered severe economic problems when the ‘wall’ came down, and communist East Germany was reintegrated into capitalist Germany. In 2001, the OECD provided this description of Jena:

Jena is experiencing a major economic crisis and restructuring. Until 1989, owing to state protection of East German industry, a very low level of productivity coexisted with high employment. It is estimated that the productivity of East German firms was at a lower level than their wages, making their production costs significantly higher than those of West German firms. The 1989 reunification of Germany did not only mean that the former East German firms lost their protection and were exposed to international competition, it also brought demands to equalise wages and social standards to the West German level (p.57).

Jena is now considered to be thriving town. As was noted in Wallace and Wosnitza, (2000) article, “Jena is a university town, and its streets are brimming today with institutes of particle physics and microbiology. A third of the town's 100,000 people are skilled laborers or have a university degree” (para.9).

The late 1990s can be referred to as the first generation of the learning city, a generation in which the idea was mostly European. The second generation is represented by the 2000s, as the initiative moved out of Europe. Sylvia Lee (2003) suggests that the

initiative is now global as, “the movement has gained increasing momentum in Europe and Australia, with considerable activity in New Zealand and Canada, as well as interest in India and China” (p.1). A good representative of this new generation of learning cities is Ballarat, Australia. For Ballarat, which became a learning city in 2000, the learning city, “is “a 'way of life', it is one where industry, education, business and the community come together to encourage, recognise and celebrate lifelong learning for all” (website).

Vancouver has recently joined the ranks of learning cities and cast itself in the role creating a sustainable city. The concept of sustainable development is coming more and more popular, especially as environmental issues connected to economic concerns rise in public consciousness. Vancouver’s take on the learning city is to cast it in the realm of higher education: “the Learning City exists because higher education must play a key role in critically and comprehensively addressing new solutions to local and global unsustainability” (website). They are taking the approach of introducing notions of educational sustainability to the public through association with universities and colleges.

A common theme for the promotion of the learning city is to use it as a tool to repair problems associated with city life. The common thread is that the problems identified are economic in nature. In most cases, this is problems with unemployment but, as Vancouver is shown, the sustainability of the economy is also in question.

### *Who Influences Provision of Education in the Learning City in the Adult Education Discourse?*

The notion of the learning city emerged as Western economies shifted from an industrial and service-based economy to a knowledge-based economy. During this shift, business leaders and economists contended that many workers had lost touch with, or did

not have the necessary skill sets, to adapt to changing needs of the workplace. Exacerbating the problem, no system was in place to help retrain workers. The implication of this for a city or region that did not have the skilled workers for the workplace were considered to be calamitous as business could choose not to locate there or could pick up stakes and move. This meant that a city could lose part of its tax base both from loss of business and from the reduced incomes of the workers as well as the cost of a rise in unemployment levels. High unemployment was linked to many social ills, principally higher crime rates. The fear mongering of high crime rates is a favoured tactic of right wing groups who use the fear associated with higher crime rates to introduce self-beneficial policies, under the pretext that they will reduce incidents of crime.

Due to the new economic and workplace realities, employees need to upgrade their skills so they, and their employer, can remain 'competitive.' New economic realities also implicate cities and regions in the need to remain competitive. This has created a change in education provision, Longworth and Davies (1998) suggests that, "the major transformation since the early 1980's is that business and industry have moved ahead of the traditional education providers in their thinking, designing, and implementing of learning" (p.57). This has become a feature of 'roll-out' neoliberalism, governments have started to spend more money on the education system but want that money to produce benefits to the economy.

As Great Britain was a pioneer of the neoliberalization of state government, New York City, in the 1970s and 1980s, led the way for the neoliberalization of the urban landscape. Interpreting the events that led to the restructuring of New York City, when

government cut back funding to cities in the 1970's and 1980's, Harvey (2005) concluded that the, "city government was more and more construed as an entrepreneurial rather than a social democratic or even managerial entity" (p.47). Cities are being operated as a business; where businesses hold the greatest influence in city culture. The learning city is a tool to help civic officials to accommodate the wants and needs of business. In this milieu, businesses are invited to become involved in the lifelong learning discourse. Lifelong learning is thus a contrivance for the creation of human capital.

### **Learning City – Lifelong Learning and Human Capital**

#### *Lifelong Learning*

The notion of the learning city is based on the use and understanding of lifelong learning. Schuetze (2006) suggests that lifelong learning is, "a concept for re-organising education and for extending it beyond the confines of both perceived 'formative' age of people and the formal system of schools and tertiary institutions" (p.289). The manner in which lifelong learning is interpreted is influenced by who is defining it. In the 1970s and 1990s, UNESCO and the OECD dedicated much time to understand and create understandings of the idea. UNESCO tended to couch its approach for a life wide as well as a lifelong understanding but with little instruction as to how to bring it into being. The OECD tended to couch its' approach in the narrow band of how it would work economically. By the 1990s, the OECD was able to create conditions and produce a form in which their concept of lifelong learning could operate.

Field provides an important insight into why the OECD's approach outmanoeuvred UNESCO's approach to lifelong learning. Because lifelong learning is a complex area for governments to get involved with, Field (2000) contends that they have a tendency to focus on vocational training. Governments did this because, "it is associated with wealth-

creation and living standards... it represents a relatively easy field for non-regulatory types of intervention... finance ministers are usually favorable to this type of public spending” (p.29). The approach advocated by UNESCO may have broader general appeal but lacks a model and identifiable outcomes to bring it into form. The OECD provided identifiable outcomes as well as a model, the learning city, to bring lifelong learning to life.

*Lifelong Learning, Human Capital, and the Learning City*

Morris’s (n.d) contends that, “the current advocacy of lifelong learning is more driven by economic and technological imperatives” (p.8). Lifelong learning when so sharply defined is focused on human capital development, a field in which the OECD has great influence. It also means by which the learning city, as influenced by OECD policy, came to have a greater focus on human capital development than a broader notion of lifelong learning. This focus on human capital is exemplified by Hilpert’s (1999) comments about Jena becoming a learning city:

The learning city concept is related to the knowledge-based economy, but it does not exclusively refer to immediate economic effects.... This is also a clear paradigm shift, in that the focus is on the production of knowledge as the main resource of modern economics. Human skills and capacities based on learning and knowledge are viewed as fundamental to learning. Hence, it is more than simply economics, as it is strongly linked to cultural conditions (p.131).

The link between human capital and the learning city can be gleaned from Machnik’s reasoning how, as Jena has become a learning city, “knowledge has become an important raw material” (Jena, p.19.) Citing World Bank studies, Machnik (1999) continues, “about two-thirds of the prosperity in affluent countries is due to human capital” (p.19). A comment such as this is open to interpretation. How the World Bank made their

conclusion is not mentioned, but it does allow advocates of human capital to have verification to back up their position.

The OECD's (2001) report, *Cities and Regions in the New Learning Economy*, also takes up the idea of relating knowledge to the economy:

However, knowledge in itself does not contribute to economic growth. Crucially, it has to be incorporated into the production of goods and services. Hence, educated and skilled individuals not only have to be produced (via the education and training system), but also their knowledge and skills have to be used. They actually have to be recruited into employment within enterprises and other organisations; and their work needs to be organised in ways that ensure the real utilisation of their competences" (p.11).

In the *Case of Jena*, Wohlgemuth (1999) compares the learning in the new, united Germany to learning under the communist rule. He observes that, "this does not mean that, under the socialist regime, people in Jena, for example, did not learn. It does mean, however that there were less effective incentives and less favourable opportunities to make profitable use of their knowledge and skills" (p. 75-76). Wohlgemuth is suggesting that knowledge and skills were wasted under the communist because they were not of direct use to the economy.

In the 1998 report, *Human Capital Investment: An International Comparison* the OECD defines human capital as; "the knowledge, skills, competences and other attributes embodied in individuals that are relevant to economic activity [their italic]" (p.9). They go on to note:

This definition in one sense broadens, and in another sense narrows previous uses of the term. It defines human attributes broadly – not just the level to which a person has been educated, but also the degree to which he or she is able to put a wide range of skills to productive use. At the same time, it narrows the definition to refer only to attributes that have benefits via economic activity" (p9).

In reality learning, when placed within the concept of human capital, is narrowly understood as a means to foster competitive advantage within the workplace. Within the confines of the learning city, the focus on learning stays within the narrow lens of learning that benefits economic realities. This is backed up by Boshier's (2003) assertion; "learning cities are committed to learning as a core aspect of development. They seek to sustain economic activity by combining lifelong learning, innovation and information technologies" (p.11).

The OECD (1998) offers that, "investment in human capital is at the heart of strategies in OECD countries to promote economic prosperity, fuller employment, and social cohesion" (p.7). The learning city focuses on learning for economic reasons, therefore learning, within the learning city, exists within a narrow focus of economic outcomes. It is here, within the economic outcomes of education, that the clearest image of the neoliberal learning city is most obvious.

## **Chapter 6**

### **Uncovering the True Meaning of the Learning City**

The journey through the recent history of the concept of the learning city has led me to understand that there are multiple interpretations of the notion of the learning city. It is by unlocking the multiple interpretations that the true meaning of the learning city shows itself. In its most dominant form, the learning city denotes an interpretation of lifelong learning that benefits the wants of the global economic elite. At the same time, this interpretation of lifelong learning actively disadvantages vast segments of the world's population.

#### **Interpretations of the Learning City**

##### *Conceptual Apparatus*

In recent years, urban strategists and lifelong learning advocates have tried to conceptualize geographical representations of lifelong learning, including; cities, regions, towns, and communities. Of these geographical entities, Donald Hirsch argues that, “the city is arguably the most significant geographical entity around which lifelong learning can be organised” (CERI, p.16). There has also been a move to find a term or label for this geographical concept of lifelong learning, for example; smart city, educating city, sustainable city, creative city, and learning cities. Of these labels the learning city is the one capturing the imagination of strategists, due to its life wide and lifelong appeal. Landry and Matarasso (2001) suggest that the learning city is the embodiment of the other notions of understanding lifelong learning in an urban environment. They advise

that, “the learning city is both richer and more complex than the educated city, though it encompasses it” (p.4).

Determining which label for a city is important. Healey (2002) contends that it:

matters which city images are called up and consolidated in public policy and how this is achieved. Articulating a conception of ‘city’ in public policy is not so much a work of analysis, but of imagination, of ‘calling up’ the city into consciousness. Only through some kind of collective mental work can ‘the city’ as such become an active force with the power to have an influence, as the mental imagery motivates and shapes what people do (1782).

Building on Healey’s contention, the ‘mental imagery’ conjured up by the learning city label is, what David Harvey (2005) would refer to as, “a conceptual apparatus” (p.5). In the case of the learning city, it is an apparatus utilized to persuade citizens to take for granted predetermined notions of lifelong learning; notions which suggest that a strong economy creates opportunities for a better quality of life, thus creating stronger communities. The underlying motivation is to, “ensure the optimum conditions for the existence of a free market.” To do this it, “must indoctrinate the population into believing in the value of the free market” (Spring, 1998a, p.135). In simple terms, the term ‘learning city’ works to ‘indoctrinate’ society with a neoliberal vision of lifelong learning by reconstituting the urban space to service economy desires.

### *Learning City as a Screening Agent*

Healey (2002) also contends that many of the terms used to conceptualize the urban space, “are little more than marketing by-lines, or they merely emphasise one dimension of urban life” (1779). The learning city is a good marketing by-line. It allows city officials to use the term as a screening agent, denoting that investment has been made to adapt to the increasing need for individuals to remain employable in the workforce.

Business and industry leaders seeing this designation can separate or screen learning cities out from other cities and will be encouraged to invest there.

Neoliberalism has created a situation in which traditional forms of government have lost their power. David Harvey (1989) explains the weakening of the state and urban authority as being due to, “the declining powers of the nation state to control multinational money flows” (p.5). The response to this, Harvey continues, is that, “local powers [are] doing the best they can to maximise the attractiveness of the local site as a lure for capitalist development” (p.5). Since the knowledge economy is the main driver of the international marketplace, an important form of investment is through education initiatives, education being used as a means to build up the human capital content of an urban area. Education acts as a lure to increase the ‘attractiveness’ of a city to prospective investors. The learning city provides both a structure and a slogan in which education can be adopted into an urban economic development strategy. Education is thus a screening agent to ‘lure capitalist investment’ in the competitive capitalist marketplace that cities now find themselves in.

Due to its murky historical accounts, it can be hypothesized that the concept of learning city is a derivative of the OECD’s understanding of education as a screening agent. Evidence of this is found in the OECD’s *Education in Modern Society* (1985), where it is suggested that, “employers...use educational certificates to screen as a principle form of selection” (p.27). The learning city is an expansion of this idea, instead of individuals with the needed qualifications it is the city – a collection of individuals – which provides the qualifications.

The screening process also works well within the surveillance model favoured by the OECD as it allows for comparisons between cities to be made. It creates conditions for to identify measurable markers of lifelong learning that can be used as a means to advertise strengths and attract capital investment. Screening can be manipulated to create added value to a city's image. This added value also plays a role for cities, particularly in the context of urban renewal and regeneration.

### *Learning Cities and Urban Regeneration*

Within the policies of the Keynesian thesis, capitalist cities were supported by state funding for both their social and physical infrastructure. Smith (2002) describes, "the Keynesian city of advanced capitalism, in which state underwrote wide swaths of social reproduction, from housing to welfare to transportation infrastructure, represented the zenith of this definitive relationship between urban scale and social reproduction" (p.432). During the 1970's and 1980's, city cores changed significantly. In capitalist countries, the decline and destruction of the Keynesian welfare state, urban funding from state governments was slashed. At the same time, cities had their economic base destabilized as the economy shifted to the knowledge economy. MacLeod (2002) describes that during the 1970s and 1980s, "city after city endured catastrophic deindustrialization and witnessed the suburban 'flight' of high-income earners and an associated concentration of impoverished residents in their inner areas" (p.604). To counter the 'flight' out of the urban core the idea of urban regeneration had great appeal. Urban regeneration was employed to keep people in the city to work and consume but it differed greatly to urban regeneration of the Keynesian era.

With reduced funding, cities had to find new sources of finance, moving from managerial to entrepreneurial, to recreate the structures in the urban core. To replace Keynesian-age government funding for urban regeneration, the neoliberal promoted idea of public-private partnerships emerged. The ‘partnership ideal’ made up for the loss of state funding the city coffers but it gave greater voice to business in the city development. Smith (2002) details that, “neoliberal urbanism is an integral part of this wider rescaling of functions, activities, and relationships. It comes with a considerable emphasis on the nexus of production and finance capital at the expense of questions of social reproduction” (p.435). Neoliberalism provided urban governance with a new agenda: use partnerships to regenerate for the creation of capital. The partnership idea for urban regeneration is taken out of neoliberal policy as it helps to protect the private investor. Harvey (2000) contends that, “the private-public partnership means that the public takes the risk and the private takes the profit” (p.141).

Like modern urban regeneration, the learning city also promotes partnership within the lifelong learning policy. The notion of partnership can be found in the *Hirsch Report* (1993), where he observed, “there is an increasing realization of the advantages of company-based training, yet much training expertise resides in external institutions –so partnerships between companies and colleges are growing” (p.21). In this context companies can influence colleges programs and curriculum by funding programs which are beneficial to them. Formerly, Keynesian government would have funded college programs through public money.

Illustrative of long learning connection to urban regeneration is the “mission” statement for the UK Learning City Network, where it is stated they will, “promote the

use of lifelong learning for urban regeneration” (website). Bringing in the idea of partnership is Jonathan Clark’s (2001) report to the EU for Scottish Enterprise Glasgow titled, *Glasgow the learning city: lifelong learning and regeneration*. Clark contends that the education at public schools is not sufficient for the workplace, “employers in the private sector are dissatisfied with the employability of school leavers and new graduates” (p.12). The remedy for this, Clarke suggest, is the implementation of a plan termed ‘Real partnership’, a plan designed aid citizens to better cope and be more productive in the workplace.

When placed within the framework of neoliberal partnerships and urban regeneration a truer understanding of the learning city emerges, as it has more to do with *community economic renewal* than developing stronger, broad-minded educational structure for an urban environment. The real selling point of the learning city is that it is an agreeable slogan for community economic development. It works on economic imperatives that create a system in which lifelong learning can be used to educate and train individual citizens for the workplace. These educated and trained individuals can then feed into a regional economic structure; from the regional level they help at the larger organizational or bloc level.

### *European Model of Lifelong Learning*

Although lacking a clearly articulated history, the learning city is, as Boshier (2003) contends, ‘an outgrowth of OECD thinking about lifelong learning. It is a European idea’ (Defining the city, para.5). This is reflective of the relationship between the two organizations. “In the mid- to late 1990s,” Dostal (2004) contends, “the OECD happened to be uniquely placed to provide... a set of well-developed welfare and labour market

policies to EU policy makers in areas in which the EU had not previously held well-developed track records” (p.442). The first cities to adopt the notion of the OECD conceived learning city were EU cities. The governments of the EU used the idea as a slogan to rally citizens around the notion of urban regeneration. The notion was located in cities hardest impacted by changes to their economic base; cities were citizens were in the most desperate need of economic and social assistance.

Returning to Boshier’s assertion, the learning city is placed within the EU’s model of lifelong learning, a model developed in the early 1990s as an important element of EU economic/social policy. The EU, in the 1990s, developed and promoted lifelong learning in response to the economic difficulties caused as the economy shifted from an industrial based economy to a knowledge based economy. Within the EU a fear existed that they were not being competitive in the global marketplace. This promulgated a push, for both the EU as a whole and for regions within the EU, to become more economically competitive. Lifelong learning was presented as one of the cures social distress by allowing people and states to gain economic advantages. The importance of lifelong learning in the EU was highlighted in 1996, when the EU promoted the European Year of Lifelong Learning, to push the idea into the bloc’s psyche.

By the 2000s, stronger economic conditions saw a shift in lifelong learning promotion; it is now being promoted as a way for the EU to retain competitive advantage in the knowledge economy. Doukas (2002), looking at general changes in lifelong learning policies, notes that, “no longer are they based on material products but rather on immaterial ones such as innovation and ideas” (p.281-282). This is the knowledge economy at work as opposed to an industrial based economy. In response to such change,

Doukas continues, ‘the European Union in the European Council of Lisbon (March 2000) has decided and launched a new aim: To make Europe the most dynamic society-economy of knowledge with employment and social cohesion in the next decade... the means to achieve this aim is Lifelong learning’”(p.282). Although not clear what ‘society-economy’ means, it does imply a tightening of the two terms.

Lifelong learning is now a mainstay of EU economic planning. This can be observed in the *Official Journal of the European Union*, November, 2006. At this time they were, “establishing an action programme in the field of lifelong learning”. Section 8, of the Journal refers to the Lisbon Convention- 2000- which had set, “a strategic goal for the European Union to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion” (p. L 327/45). This is followed by the suggestion in section 9 that, “an advanced knowledge society is the key to higher growth and employment rates. Education and training are essential priorities for the European Union in order to achieve the Lisbon goals” (p. L 327/45). There is a constant tie between education and the economy, as well as elevating their stature by attaching added value with terms such as ‘advanced knowledge society.’ The trend identified in the 1980s and 1990s of associating education with training continues; ‘educating and training’ with the intent of making the EU more competitive.

### *Defining the Competition*

Within the neoliberal thesis, cities need to be competitive. It is accepted that by fostering the notion of a competition, a learning city can help cities gain a competitive advantage over cities whose learning remains stilted. The question that is rarely

considered by proponents of the competitive learning city, however, is who are the cities competing against: Citizen against citizen? Other cities? Other regions? If the leaning city notion is based in advanced capitalist's countries as most OECD nations are, then learning cities must be competing against cities in both developed and developing nations. It is long past the time for learning city theorists and advocates to look beyond the boundaries of the OECD and see what is happening in the rest of the world, to find out who the competition really is. As Harvey admonishes, "it is easier to debase far off populations than those at home" (p.134).

It is estimated that over six billion people live on the planet, of that number it is estimated that over half, over three billion people, live in urban areas. Of that three billion, the UN-Habitat (2003) estimates that one third- over one billion people- live in slums. When the OECD promotes the notion of being competitive it is against the slums of the world they are in competition with. The moral reprehensibility of this fact requires that we forge a new understanding of learning cities and their function.

Ironically, in the 1960s, when the OECD first gained interest in education, they had an interest in helping 'underdeveloped' countries. There were different reasons for wanting to aid third world countries. As Noel, Therien, and Dallaire (2004) explain, "aid was invented at the beginning of the cold war as a tool in the struggle against communism than as an instrument to fight poverty"(p.31). They add that aid was not only a strategic tool. "Canadian aid was also shaped by the evolution of the country's political values and institutions, especially those related to the development of the welfare state" (p.31). As we have seen, neoliberalism severely undermined the conditions of the welfare state in the 1970s and 1980s.

By the end of the 1960s and into the early 1970s there was a movement in the UN to get countries of the developed world to donate 0.7 % of their GDP to poorer countries but for the most part this has failed. Referring to Canada not contributing 0.7% of GDP to foreign aid, Lewis (2005) admonishes, “the real immorality is for one of the most wealthy and privileged countries in the world to fail to respond adequately to the life and death struggle of hundreds of millions of impoverished people” (p.33).

Within the irony of the OECD exists another irony. Public opinion in OECD countries is supportive of international aid. In a 2001 OECD report, *International development co-operation in OECD countries*, concerning public support for aid, they found:

The analyses of recent trends in public opinion in OECD countries showed that not only does public support remain high but that on the whole it has not declined in the past decade. Yet, public support was seen as often misinformed and based on exaggerated perceptions of the size of aid budgets, or weak understanding of development co-operation. What was seen as more problematic was that, despite the steady public support for aid, official aid flows have declined significantly in the majority of DAC [Development Assistance Committee] Member countries since the early 1990s (p.2).

Not contributing enough financial resources to aid the plight of people trapped in slums is morally irresponsible. Exasperating the situation is that there continues to be a rise in urbanization in third world countries and that one of the main causes has been policies of the first world countries. “The policies of agricultural degradation and financial discipline”, Mike Davis (2006) contends policies, “enforced by the IMF and World Bank [through the SAP’s] continued to generate an exodus of surplus labor to urban slums even as cities ceased to be job machines” (p.15). People have become nothing more than ‘surplus labor’ creating an identifiable stock of workers for business.

When Davis's (2006) observes that slums are places where, "entrepreneurs can most profitably mine cheap labor with minimal oversight by the state" (p.46), the situation reaches new depths. How much wealth of OECD cities been created by cheap slum labor?

OECD is symbolic of divide between countries, but it is much more than that as it is also closely allied with international organizations and first world policies, such as the IMF and World Bank, which created conditions of poverty through neoliberal dogma. Since the OECD is implicit in the creation or expansion of slums in third world countries, the learning city concept is also implicit.

### *Form of Imperialism*

Spring (1998a) makes a powerful statement when he contends that, "European colonialism and education [played a key role] in providing the language, infrastructure, and shape of today's economy" (p.8). This would have started during first round of globalization, roughly the 1600s, when European nations expanded their business interests around the world. The US, which was originally informed by 'European colonialism,' and the EU have been the principal promoters of the modern round of globalization, which started in the 1960s and 1970s. To promote their angle on globalization, the US and the EU utilize key supranational organizations such as the IMF, the World Bank, and the OECD.

Modern globalization, or neoliberal globalization, is foisted upon the public by its proponents as a positive set of policies and procedures that will provide riches for all citizens of the planet who wish to, take part in global trade. Others take a more sinister view of globalization, Spring (1998), McLaren and Farahmandpur (2001), and Harvey

(2003) consider globalization, strongly led by American rhetoric, as a new form of imperialism. A traditional understanding of imperialism has one nation controlling another through manipulation of the social, economic, and political process. One way to accomplish this was through standardization and assimilation of processes and standards set by the imperial power to create, to quote Chomsky (2004), a “system of domination” (p.141). India is a prime example of imperialism; its citizens were subjugated to English rule through imperialistic process, which controlled many aspect of their everyday life. Referring to Grant (circa 1800), Spring (1998a) observes that English, the, “language of the conqueror” (p.15), was used to “assimilate” the conquered in India. English tradition, custom, and language became administrative form for India.

A common characteristic shared by neoliberalism, modern globalization, and traditional imperialism are policies that afford avenues, for a few economic elite, to accumulate large amounts of financial capital on the backs of the poor. Illustrative of those policies is the Structural Adjustment Programs (SAP) of the World Bank and the IMF. Sachs (2005) suggests that due to the SAP programs, “belt tightening, privatization, liberalization, and good governance became the order of the day” (p.81) in third world countries. Lewis (2005) is more succinct in his appraisal of the SAP’s, he refers to them as, “Reaganomics gone berserk.” (p.5). Davis (2006) explains that this ‘belt tightening’, “imposed upon debtor nations in the late 1970’s and 1980’s required shrinkage of government programs” (p.62). This ‘shrinkage of government programs’ was felt in social welfare programs, where funding cuts altered welfare programs to provide quantifiable economic outcomes. Sachs offers that the SAP’s lacked a, “multifaceted approach” (p.82) which made them inefficient to solving debtor country problems. In his

view of the SAP, Lewis (2006) believes that, “at the heart of Structural Adjustment policies there lay two absolutes: Curtail and decimate the public sector; enhance, at any cost, the private sector” (p.6). This is the purest form of neoliberalism and imperialism as the economic elite accumulating wealth at the expense of the defenseless masses.

Other than terminology there is in fact there is little to distinguish traditional imperialism from today’s globalization. McLaren and Farahmandpur (2001) contend, “globalization represents an ideological facade that camouflages the manifold operations of imperialism. In fact, the concept of globalization has effectively replaced the term *imperialism*” (p.138). A common theme for both models is that, “the wealth and well-being of particular territories are augmented at the expense of others” (Harvey, 2003, p.32). This concerns both human and financial capital, being taken from one country and accumulated in another.

The global imperialism in today’s world is allowing advanced capitalist countries, such as the US and the EU, to dominate the lifelong learning discourse. Citing the work of Spring (1998a), McLaren and Farahmandpur (2001) note that he, “identifies a key paradox that frames education and economic policies pursued in the United States and other advanced capital societies” (p.139), they include:

First, education under globalization is viewed as a vehicle that assists the growing market economy. For many developing countries, an educated and skilled workforce ostensibly would mean higher levels of productivity and economic development. Second, education is viewed as a tool in solving problems associated with economic globalization such as unemployment and poverty. If, however, the market economy (by means of the capitalist law of value) is itself the cause of social and economic inequality, then it would appear a contradiction in terms to argue that the goal of education should be to assist in the expansion of the market economy (p.139).

When cast in the light of modern globalization and neoliberalism, the learning city can be understood as a modern representation of imperialism. The learning city strives to implement a universal understanding of lifelong learning, one that highlights the development of human capital and reduces the value of learning for social justice – or even for pleasure. It seeks to standardize lifelong learning by putting in place economic indicators and quantifiable outcomes to judge its value to society. When economic indicators of education’s value are put into place, the situation of peer review it creates a situation where cities compete to get the better value- to be number one. It makes placing cities in a competitive global arena sound like a positive aspiration for city governance without any critical thought concerning with whom they are being competitive. The conqueror uses the language of finance and capital to assimilate the conquered.

### **Re- interpreting the Learning City**

#### *Shikshantar’s Interpretation of the Learning City*

The interpretation of the learning city provided by the EU and the OECD is wholly inadequate to reach the billions of citizens in dire economic and social circumstance. The model they created is limited to cities that are interested in community economic development. Spring (1998a) maintains that, “OECD experts want knowledge to be measured according to its contribution to economic growth. In contrast, Confucius and Plato were interested in determining the ability of individuals to create moral and just societies” (p.168). If the learning city initiative is to be a more effective tool to push forth the idea of making a society that is “moral and just” then it should deal with challenging neoliberal orthodoxy.

One institute that is challenging the neoliberal view of the OECD's learning city is the Shikshantar Institute, based in Udaipur, India. Shikshantar is using community-based lifelong learning initiatives as way to nurture understanding and improving the quality of live for all citizens. While the OECD may be seen as a vehicle to push forth the values of the so-called 'developed countries,' the Shikshantar Institute can be viewed as being representative of 'developing countries'. They consider that:

Most efforts towards building Learning Cities in industrialized countries have concentrated primarily on institutionalized (formal and non-formal) delivery systems. We would like to move beyond this by locating more informal, dynamic learning spaces such as extended families, peer groups, work environments, professional associations, communication media, religious centers, natural recreation spots, and other socio-cultural meeting places (Shikshantar, n.d., p.2).

Plumb, Leverman, and Mcgray (2007) provide this analysis of Udaipur as a learning city:

They have worked to regenerate learning spaces ('learning parks') in which people can gather to learn about things of shared interest or concern; held workshops for 'learning activists' (in which un-learning predominant modes of learning has played a large part); supported public discussions, meetings, and exhibitions to promote engagement in key issues facing neighborhoods; fostered the self-organization of learning communities grappling with specific issues; and investigated and raised awareness of the rich mosaic of everyday learning already transpiring in Udaipur (p.48).

Shikshantar instructs us that there are problems with the current interpretation of the learning city. Problems that are not being addressed in developed countries due to the uncritical acceptance of neoliberal policy and globalization of capital. Udaipur is trying to build social capital through collective learning whilst the first world model is building human capital. Both are doing it in response to the neoliberalism sway in world capitalist policy.

Beyond their ability to instruct an alternative understanding of a learning city, Udaipur can be considered instructive in another light. As was commented on previously, the learning city is linked to imperialism, mainly through its use of competitive notions of education and its connection to the OECD's promotion of globalization/imperialism. India is a country that has been awash with forces of imperialism for centuries. Referencing Basu and his understanding of continuing effect British colonialism in today's India, Spring (1998a) writes that he, "concluded that colonial education created an urban elite that, to this day remains alienated from most of the population. This group continues to introduce Western culture and technology into their countries" (p.17). Shikshantar is actively working against the formal schooling structure that was foisted upon Indian culture by the forces of colonialism and imperialism.

The focus of the Shikshantar Institute is on the wants and needs of a specific community:

We firmly believe 'what' and 'how' Udaipur should look like as a Learning City is for the people of Udaipur to jointly dream about and create. Thus, we see it more as a 'process-project,' which is organically unfolding, based on the interests, *parampara* (dynamic tradition), ideas, aspirations and the intrinsic motivation of local citizens of Udaipur and not by any forced and target-oriented, linear, time-bound plans (Jain and Manav, n.d., What is Udaipur as a learning city?, para.3)..

The learning city, as suggested by the Shikshantar Institute is both for and of the people.

### *The Future of the Learning City*

To date, alternative approaches to the learning city have been mostly limited to the work of the Shikshantar. In 2007, learning city theorists Plumb, Leverman, and Mcgray offered a rare critical investigation of the learning city by contesting the notion in the realm of the third world. Their investigation uncovered the effects of policies that have

pushed, “slum-dwellers” to join “the wretched ranks of ‘informal’ workers, eking out a stark existence through a myriad of marginal or illegal activities” (p.39). Consider how this differs from sanguine notions of capitalism espoused by Fukuyama (1996), “the workplace also draws people out of their private lives and connects them to a wider social world” (p.6).

The notion of a learning city limits the, “development of urban form”, contend Plumb, Leverman, and Mcgray:

Rather than realizing the full promise of the learning city as a notion that can help promote the development of urban forms that can enable the full participation of citizens in the development of their city, narrow, economic notions of the learning city can only contribute to a growing polarization of urban life (p.37).

Other than Plumb, Leverman, and Mcgray, learning city pundits have lacked the wherewithal to look outside the borders of their self-described developed world – the world of the OECD – to try and comprehend what is happening in cities around the world. Instead, they choose to stay within their myopic borders. Indeed, most do not even consider the implications of what their thoughts and theories could have on the citizens of the cities they theorize about and the world beyond the limits of a city.

Presently, learning city pundits avoid the reality that they are trying to create a system of governance that benefits the business culture of the city and the global economic elite. This is being accomplished by convincing and manipulating the working class into believing that learning for earning is beneficial for all. The question must be asked; why have they been allowed, and have allowed themselves, to ignore the effects that the learning city could have on the rest of the world? This sort of unaccountability is unacceptable. It is now time to expand the horizons of the leaning city.

Learning city pundits should take their cue from Plumb, Leverman, and Mcgray, and look outside of the sphere created by the OECD when planning or envisioning the learning city. They should consider Mike Davis's (2006) prediction that, "the cities of the future, rather than being made of glass and steel as envisioned by earlier urbanists, are instead largely constructed out of crude brick, straw, recycled plastic, cement blocks and scrap wood" (p.19). How do the learning cities, for example, of Ballarat or Glasgow fit into this milieu?

The vision of a learning city should include an understanding of what Davis (2006) refers to as the, "livelihood strategies of the urban poor" (p.64). This would include the urban poor of all cities be they in the so-called First, Second, or Third World. The learning city theorists should consider whether the poor have adequate transportation or do they, as Davis suggest, have to live on the street to be close to work, or have to spend much of their lives and wages traveling to work?

Plumb, Leverman, and Mcgray (2007) assert that the notion of the learning city is not a lost cause. They contend that, "it is imperative to retain a revitalized notion of the learning city... [because] it opens the possibility for transformative action that might begin to address the disastrous urban development of contemporary times" (p.46). A revitalized notion of the learning city should begin with Giroux's (2005) suggestion that a, "public pedagogy [that] defines the cultural objects of interpretation, and offers the possibility for engaging modes of literacy that are not just about competency, but also about the possibility of interpretation as an intervention in the world" (p.131).

Learning city pundits must resist sloganizing the notion and recognize that all cities are learning cities. In doing this it would highlight the fact that lifelong learning is broad

based, and that sharing and helping one another is better than being competitive. It must drop its self-centered righteousness and allow people the right to live on the margins without marginalizing them; not all citizens desire to be part of the global economy. To have any chance of being a positive force in the world, the learning city notion must be taken out of the hands of the OECD and EU and placed into the domain of a broad range of lifelong learning theorists and pundits.

### *Is There Hope for the Learning City?*

At the conclusion to this thesis, I am confronted with the question that has challenged me since I first started to investigate the concept of the learning city: “is there hope for the learning city?” My initial response, when confronted with a concept that allows neoliberals to dress human capital in the guise of lifelong learning is, no. When I examine how the learning city is defined within the OECD defined parameters of free market neoliberalism, I struggle with finding a solution to reclaim the notion from capitalists. Alan Rogers’ (2006) assertion concerning the “failure of lifelong learning” in that it, “concentrates first on learning for work” (p. 125), is applicable for the OECD’s use of lifelong learning. As a student of adult education, I cannot support a concept that places education in a potentially oppressive role.

Being a student of adult education has provided me with an opportunity to study the writings and thoughts of a variety of individuals who have committed considerable parts of their lives to understanding the capitalist system and, more importantly, have tried or are trying, to change the system. I have been inspired by; Ivan Illich, Paolo Freire, Moses Coady, Jimmy Tompkins, Karl Marx, Stephen Lewis, Mike Davis, and Manish Jain, to name a few, people who seek changes intended to help those that are most disadvantaged

by rampant capitalism. I take heart from such people and feel compelled to reclaim the notion of the learning city.

To reclaim the concept of the learning city, first the notion of lifelong learning must be reclaimed. Is the role of lifelong learning purely for the creation of human capital? Or, can it have other uses? Alan Rogers (2006) believes that lifelong learning can be reclaimed:

The potential is there within lifelong learning – and it is up to those of us who find our commitment to radical social and cultural change growing stronger to encourage those engaged in lifelong learning to join us in the struggle to build a better more socially cohesive and tolerant society rather than just a richer and a more democratic (in its narrow sense) society (p.133).

Once the discourse of lifelong is reclaimed, and removed from the control of neoliberal dogma, then, I believe, there will be hope for the learning city. Hope, as explained by Giroux (2005), “is the precondition for individual and social struggle, involving the ongoing practice of critical education in a wide variety of sites and the renewal of civic courage among citizens who wish to address pressing social problems” (p.178). Giroux sees hope as a subversive force which is necessary to mend social and civic problems.

At this point, I can offer no strategies or plans to reclaim the learning city but if we start to rethink the concept then we may find a path to change. As Rogers (2006) is rethinking lifelong learning, Donovan Plumb (2008) is rethinking the learning city. This is his vision:

If we expand our view of the learning city and imagine it as a context of enhanced citizen engagement, if we focus on developing a broader base of urban partnerships that includes not only economic players but also the

wealth of community, non-governmental, and other civil society organizations, if we promote the learning city as a context within which we can develop economically sustainable, peaceful, socially meaningful, and aesthetically beautiful ways of living together, the reality of the concept might approach the bounty of its promise.

Thanks to the work of adult education and lifelong learning theorists, who believe we can change an unfair economic/social system, I can conclude by saying there is hope and promise for the learning city.

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