

**Western Australian Education Policy and Neo-classic
Economic Influences.**

Iain W.P. Browning
M.Ed.(Hons), B.A.

**This thesis is presented for the degree of Doctor of Education of Murdoch University 2002.
I declare that this thesis is my account of my research and contains as its main content work
which has not previously been submitted for a degree at any tertiary education institution.**

Iain W.P. Browning

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Abstract

This thesis is primarily an historical examination of how neo-classic economics influenced WA education policy formation from the mid 1980s until the release of the **Curriculum Framework (1998)**. It first aims to examine and explain the context and origins of neo-classic economic influences globally, and then explores the process and impact of its introduction to WA policy-making in general, and to education policy in particular.

Within the thesis some fundamental propositions put forward by other theorists are built upon. The most significant is the view that between 1983 and 1998, there has been a distinct and well documented shift in the primary ideological forces driving education policy throughout the western world. This is attributable to a strengthened link between education and national economic goals which has resulted in an economic imperative and the use of an economic discourse to describe educational aims. From these understandings this thesis explores whether neo-classic economics has played a significant influence in shaping education policy in WA, as it has done in many parts of the world.

The methodological approach principally involves the textual analysis of major policy documents preceding and including the **Curriculum Framework (1998)**. The focus is on primary and secondary sources, essentially to discover, analyze, and demonstrate how neo-classic economics had influenced education policy in WA by 1998.

Taking a pragmatic approach, this professional doctorate makes a specific contribution to research through synthesizing the impact of neo-classic economics on WA schools policy via a range of principally secondary sources. In particular, it explores how neo-classic economics influenced WA education policy by seeking to answer four fundamental research questions:

1. Was the influence of neo-classic economics evident internationally, and if so did it impact on education policy?
2. How did neo-classic economics influence Australian Commonwealth Government schools policy?
3. Were there clear neo-classic economic influences evident within other Australian states, and, if so, did they influence schools policy?
4. In whose interests were neo-classic economic education policies?

Neo-classic economic approaches were espoused widely as a solution to the apparent failure of Keynesian economics from the early 1970s onwards. Beare (1995) argued that in many countries policy perspectives for education and other welfare services changed in a number of 'profound' ways. The most significant was the use of an economic rationale to justify almost every significant policy initiative.

Within the Anglo-democracies, specifically the US and UK, the pursuit of neo-classic economic policies involved the adoption of initiatives allowing the 'market' to dictate what should or should not occur within the economy. As a part of the neo-classic economic drive, governments endeavored to improve efficiency within the public services. Consequently, education policy became driven by an economic imperative often to the detriment of educational aims.

This study demonstrates that neo-classic economic policy came to dominate government decision making in Australia following the election of the Hawke Labor Government in 1983 (Dudley and Vidovich 1995). This was similar to neo-classic economic patterns in the US and UK. By 1985 neo-classic economic trends at the Commonwealth level were clearly evident and became more overt and robust with the passage of time. Under Minister Dawkins Commonwealth education policy was firmly linked to national economic goals.

An examination of the Victorian context demonstrates neo-classic economic trends within the other Australian states' education policies. Under the Kennett Liberal Government the shift to neo-classic economic education policy resulted in reductions in educational spending, staffing cuts and school closures. The prime motivation for the reforms was the reduction of costs and the aligning of education through a focus on vocational subjects and employment related skills.

Concomitant with the rise of neo-classic economics was a commensurate growth in the attention of Australian business and industry to education policy. Business and industry groups increasingly promoted the notion of human capital theory by linking education and economic growth. This can be partly attributed to employers' growing interest in having schools produce individuals suitably prepared for positions in the workplace, a phenomenon which has been reflected in WA secondary schools through a shift to a vocationalised curriculum (Browning 1997). In effect business was able to defray expending capital on training workers through hiring school leavers tailored for workplace positions. From at least the early 1980s there was accelerating evidence of a more active and open involvement of business in the major education inquiries which also contributed to policy formation dominated by neo-classic economics.

The exploration of the global and national context of neo-classic economics confirms that neo-classic economic influences within WA did not occur in isolation. From at least 1987 it is evident that neo-classic economics influenced WA education policy. The consequence was a curriculum shaped predominantly by economic interests as opposed to educational concerns.