

DEVELOPMENT EDUCATION AND THE ECONOMIC PARADIGM

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Introduction

In 2019, before the world fell into the chasm of the COVID-19 pandemic, and a food and energy crisis, Ireland's President, Michael D Higgins, said: 'our prevailing neoliberal economic paradigm has been with us like a dark cloud for almost four decades now'. This 'orthodox laissez-faire economic narrative', he added, asserted 'the state's role needs to be minimal and the private sector should lead in all aspects of life including the response to climate change' (Roche, 2019). The narrative of neoliberal Ireland has been dominated by a homeless crisis with the lack of social housing and over-priced rents in the private renting sector resulting in increasing numbers of evictions. The total number of homeless in Ireland exceeded 10,000 people in May 2022, nearly 3,000 of whom are children (Roche and Holland, 2022). 'Housing and the basic needs of society should never have been left to the market place', said President Higgins, adding that 'It is the mad speculative money that is destroying our country, which we are welcoming, which we shouldn't be' (BBC, 2022). Such is the cost of accommodation in Ireland that 19 per cent of the population live below the poverty line after housing costs are factored in with that figure climbing to nearly 25 per cent for children and 50 per cent for single parents (Social Justice Ireland, 2022). In the north of Ireland, one-in-five people are living in poverty including 100,000 children and 61,597 emergency food parcels were distributed by the Trussell Trust foodbank network in 2021-22 (Joseph Rowntree Foundation, 2022; Trussell Trust, 2022).

Despite the pervasiveness of neoliberalism and infiltration into every aspect of our lives most of us would struggle to name and define it. 'It's anonymity is both a symptom and cause of its power', argues journalist George Monbiot, despite its 'role in a remarkable variety of crises' (Monbiot, 2016). Rather than place the economy at the service of citizens' needs, neoliberalism

asserts that citizens should be forced to service the needs of the market. The market absolutism underpinning neoliberalism holds that growth for growth's sake, the need to sustain the stock-market, is the altar on which fairness, justice and equality should be sacrificed to maintain profit, commodification and Gross Domestic Product (GDP). The global outworking of neoliberalism has been extreme poverty and inequality. The 2022 World Inequality Report finds that the poorest half of the global population barely owns any wealth at all, possessing just 2 per cent of the total. In contrast, the richest 10 per cent of the global population own 76 per cent of all wealth (World Inequality Report 2022: 10). On average, the poorest half of the world's people owns €2,900 per adult, (\$4,100) and the top 10 per cent own €550,900 (or \$771,300) (Ibid).

But what has all this got to do with development education? We are educators, not economists. We have been schooled in education methodologies not the workings of the market. Well, the reality is that we are all economists now, or at least we need to be. For the past five decades 'development' has been aligned with growth and most developing countries forced to implement neoliberal structural adjustment programmes by the World Bank and International Monetary Fund (IMF) (Hickel, 2017). Neoliberalism, as Monbiot (2016) suggests, 'is the ideology at the root of all our problems' and development educators' stock in trade is to 'tackle the root causes of injustice and inequality' (IDEA, 2020). The corollary of that should be that we concentrate our activities on neoliberalism as the root cause of global poverty. The evidence suggests the opposite. In recent research on the extent to which the international development (ID) and development education (DE) sectors critically engage with the global economy as the main source of poverty and inequality, Harm-Jan Fricke found that neither sector 'give anywhere near adequate attention to explorations with the public of the economic causes of poverty, inequality and injustice and of responses, through education, to the global neoliberal system' (2022: 7). This issue of *Policy and Practice* is the culmination of several contributions to the journal over the past decade that have been sounding the alarm about the societal and ecological fractures caused by neoliberalism (Giroux, 2022; Alldred, 2022; Madden, 2019; Bryan, 2011; Selby and Kagawa, 2011). As Giroux (2022: 99) suggests: 'A neoliberal

market-driven society has given rise to a culture of fear, uncertainty, and danger that numbs many people just as it wipes out the creative faculties of imagination, memory, and critical thought'. It is critical, therefore, that the clarion call for action on neoliberalism carried in this issue of the journal and its archive should be used as a platform for informed action in the best tradition of Freire's *praxis*.

What is neoliberalism?

Neoliberalism is the dominant, de-regulated form of global economics that has been the prevailing model of 'development' since the 1970s. It aims to reduce the role of the state in the ownership of public assets and stewardship of economic policy except in facilitating and accelerating marketisation and deregulation. The chief economic policies and 'reforms' associated with the implementation of neoliberalism include: the removal of price controls, often on key utilities and commodities such as food and energy; the reduction of taxation, particularly on highest earners and corporations; the privatisation of public assets and services such as transport, health, land, education and utilities; the expression of citizenship through consumer power and rights; the suppression of economic and social rights, particularly those advanced by trade unions and civil society movements; the downsizing of the welfare state; and the atomisation of society into individuals rather than the collective endeavour and solidarity of communities. The central thesis of neoliberalism is that an unfettered market, released from the 'serfdom of the state', will generate and distribute wealth to all in society through 'trickle-down' economics. The main architects of this ideology were Austrian economists Ludwig von Mises and Friedrich Hayek who worked as civil servants in Vienna's Lower Austrian Chamber of Commerce applying themselves to "policy problems" and writing evaluations of new laws for the Austrian government in the inter-war years (Slobodian, 2018: 30-31). Hayek and von Mises were 'militant globalists' who believed that a planned economy crushed individualism and paved the way for despotism (Ibid).

The first significant institution established to advance the cause of neoliberalism was the Mont Pèlerin Society (MPS) named after the resort near

Montreux, Switzerland where in 1947 Hayek invited 36 economists, historians and philosophers to apply themselves to the ‘virtues, and defects of market-oriented economic systems’ (MPS, 2022). Although the MPS attracted significant investment from wealthy benefactors who recognised the potential benefits of lower taxes and de-regulation, neoliberalism remained on the political margins until the 1970s. In the aftermath of the Great Depression in the United States (US) and the war against fascism in Europe, economic planners recognised the importance of public spending, increased employment, higher wages and welfare support. A post-war economic consensus settled on Keynesianism – named after English economist John Maynard Keynes – which represented the kind of economic stimulus package included in Roosevelt’s New Deal. Keynesianism supported a mixed economy which combined growth with an element of wealth redistribution to support the public ownership of services, the welfare state and the target of full employment.

Keynesianism presided over the golden era of capitalism from end of the war until the early 1970s when a surge in oil prices in 1973 caused a spike in the cost of consumer items which slowed the global economy and increased unemployment. The combination of high inflation and a slowdown in growth – stagflation - caused industrial disputes as wages failed to keep pace with inflation which in turn created political upheaval and a rejection of Keynesianism. Meanwhile, Margaret Thatcher was waiting in the wings with neoliberalism.

Neoliberalism in practice

Neoliberalism moved from think tank obscurity to global dominance through its adoption by the Atlantic economies following the election of Margaret Thatcher in 1979 and Ronald Reagan as US president in 1980. As ideological soulmates they were adherents of the neoliberal guru Milton Friedman, an economist who worked for 30 years in the University of Chicago’s School of Economics and author of the highly influential *Capitalism and Freedom* in 1962. Friedman and graduates of the Chicago School known as the ‘Chicago Boys’ guided the imposition of neoliberal ‘reforms’ in Chile following the

violent overthrow of the democratically elected socialist president, Salvador Allende, in a US-backed coup led by General Augusto Pinochet in 1973 (Hickel, 2017: 131-132). Despite his fears about state despotism, Friedrich Hayek said, on a visit to Pinochet's Chile, 'My personal preference leans toward a liberal dictatorship rather than toward a democratic government devoid of liberalism' (Monbiot, 2016). Neoliberal policies are often deeply unpopular and subject to public protest and resistance which makes strong-armed autocrats like Pinochet the preferred enforcers of neoliberalism's strictures by its leading ideologues. In the wake of neoliberal reforms in Chile, poverty rates accelerated to 41 per cent and average wages collapsed by 14 per cent as GDP per capita fell 12 per cent below the pre-coup levels (Ibid: 133).

However, an alternative, more insidious means of locking countries in the South into neoliberal programmes presented itself in 1973 when OPEC (Organization of the Petroleum Exporting Countries) states increased the price of oil and deposited billions of petrodollars in US banks. The banks decided to recycle this excess balance through loans to low and middle-income countries that were desperate for development finance. Many of these loans were agreed at high interest rates and irresponsibly deployed to resource unnecessary capital programmes with lucrative private sector contracts. Loans were often aggressively targeted at autocratic rulers willing to accept the economic risk of default while lining their own pockets (Ibid: 151). The debt crisis for countries in the South has not abated nearly fifty years on from the initial lending bonanza in the 1970s. The World Bank estimated in 2021 that the 'External debt stocks of low- and middle-income countries combined rose 5.3% in 2020 to \$8.7 trillion'.

For developing countries seeking a loan from the IMF or to re-finance an existing loan means implementing the lending conditionalities in IMF structural adjustment programmes. Couched in the language of efficiency, profitability and economic freedom, SAPs are an economic straightjacket that strip away protections for workers and the environment, and remove tariffs on imports that can undercut the indigenous domestic manufacturing sector. They

remove the capacity for countries to ‘develop’ according to their own needs using economic assets to their own particular advantage.

Neoliberalism in crisis

Fifty years after Pinochet’s coup and the commencement of the neoliberal experiment in Chile and economic inequality, according to Oxfam, is out of control with just 2,153 billionaires controlling more wealth than 4.6 billion people (Oxfam: 2020: 6). The world’s richest one per cent have more than twice as much wealth as 6.9 billion people and the combined wealth of the world’s 22 richest men is more than the wealth of all the women in Africa’ (Ibid). The monetary value of unpaid care work globally for women aged 15 and over is at least \$10.8 trillion annually which Oxfam calculates to be three times the size of the world’s tech industry (Ibid). The metric of choice for neoliberalism is Gross Domestic Product which ignores priceless community services like care work because it doesn’t turn a profit. And, yet, economic activities like mining and gambling which can negatively impact community health and wellbeing enjoy a more elevated status in a neoliberal system because they are profitable industries. There is, in any event, a conundrum at the heart of neoliberalism which questions the growth imperative driving laissez-faire economics. ‘The global economy has doubled since the end of the Cold War yet half the world lives under \$5.50 a day’, argues Philip Alston (2020: 15), the former UN Rapporteur on Extreme Poverty and Human Rights. This, he argues, is ‘primarily because the benefits of growth have largely gone to the wealthiest’ (Ibid).

Moreover, neoliberal economics are prone to crises and regularly in need of state interventions to correct market aberrations. For example, the 2008 global crisis rooted in the property market on both sides of the Atlantic demanded eye-watering bank bailouts of £850 billion in the UK (Grice, 2009) and \$16.8 trillion dollars in the US (Collins, 2015). The profits in this case were privatised but the losses socialised as public money was used to bailout errant banks. Similarly, the COVID-19 and climate crises have been persuasively attributed to a de-regulated global market: two emergencies that emerged ‘as inevitable outcroppings of the prevailing global economic growth

model’ (Selby and Kagawa, 2020: 106). Development education and international development have failed to problematise growth and both sectors have mostly taken their policy lead from the Sustainable Development Goals (SDGs), the seventeen Global Goals agreed in 2015 by 193 member states of the United Nations ‘to end poverty in all its forms everywhere’ (UN, 2020). Like their predecessors, the Millennium Development Goals (MDGs), the SDGs have a fifteen-year cycle and enjoy near universal endorsement of their agenda from development actors including: governments, development ministries, multilateral bodies, INGOs (international non-governmental organisations) and civil society organisations (CSOs). A crucial failing of the Goals identified by Philip Alston is that they are complicit with the ‘traditional growth paradigm’ and ‘doubling down on an inadequate and increasingly out-of-date-approach’ to poverty eradication (Alston, 2020: 13). In a withering critique that dismantles the approach to development underpinning the Goals, Alston finds that ‘economic growth is at the core of the SDGs’ and argues that ‘traditional pro-growth policies ... can have devastating effects on the well-being of poor people and the states’ capacity to reduce poverty’ (Ibid; 14-15).

The ID and DE sectors are entirely unbalanced in their activities to be, on the one hand, completely over-extended in their uncritical support of a failing SDG agenda most unlikely to be delivered in 2030 to, on the other hand, studiously omitting from their work an analysis of neoliberalism as the root cause of the problems that the Goals are trying to fix. In 2011, Selby and Kagawa found development education to be either ‘falling in with the neo-liberal marketplace agenda’ or reluctant ‘to directly, overtly and critically engage with that agenda’ (2011: 15). This complicit silence or studied omission of neoliberalism continues a decade later but the urgency of the climate crisis and accelerating poverty crisis means that neither the planet nor the global population can afford to wait for the ID and DE sectors to rouse themselves from their inertia.

Education and neoliberalism

The three Focus articles in this issue of *Policy and Practice* are concerned with education as a site of contestation either resisting the infusion of market-based

hegemony into formal learning processes or struggling for the critical space to debate the efficacy and impact of neoliberal economics. Nisha Thapliyal draws upon the work of the Decolonial Futures Collective (DFC) and its Indigenous conceptions of care, earth-centeredness, social justice and solidarity to ‘deconstruct the economic logics of dominant Australian development education paradigms’. Thapliyal poses the question ‘How do we unlearn dominant economic logics of migrant settler colonialism and neoliberal development?’ and she shares her experience of introducing economic literacy into her pre-service courses in a settler colonial state (Australia). Part of the context and resistances she encounters is the SDG paradigm which:

“is not only problematic because of its ethnocentric, universal assumptions but because it continues to posit that a linear market-driven model of economic growth is the only the solution to the ever-increasing environmental issues on our planet”.

In the best traditions of a development education concerned with ‘root causes’, Thapliyal argues that unlearning the neoliberal paradigm ‘is a process which requires deeper reckonings with colonialism, empire and globalisation’.

Irene Tollefsen is also concerned with formal education and uses a critical metaphor analysis approach to explore how sustainable development is explored in the Norwegian formal education curriculum. A critical metaphor analysis is applied to two iterations of the Norwegian schools’ curriculum in 1993 and 2017 with the latter exuding a ‘taken-for-granted apolitical neutrality’ devoid of the urgency and agency needed to tackle the worsening climate emergency. The de-politicisation of the 2017 curriculum prioritises technological fixes to the climate crisis and individual, rather than collective action. In short, solutions in train with market-based ‘solutions’ to market-based problems. The article concludes with an exhortation for more political development education to restore complexity, realism and action to school-based learning.

Anders Daniel Faksvåg Haugen reflects on the socialist presidency of Tanzania's Julius Nyerere and, in particular, his understanding of development, embedded in the Swahili term *maendeleo*, which 'contributed to an alternative, tailored version of the neoliberal paradigm in the country'. For Nyerere, public education was an indelible part of national identity and 'indispensable contributor to the process of nation-building'. Haugen argues that Tanzania's collapse into debt saw it fall into the clutches of the International Monetary Fund and the World Bank and their structural adjustment programmes. Although many aspects of Nyerere's socialist project in Tanzania had to be abandoned, Haugen found 'that core aspects of his development discourse of *maendeleo* endured'. 'The nation revisited its founding socialist values', argues Haugen and 'public primary education has again become fee-free'. As the battle of ideologies remains central to what we mean by international development, this article presents an interesting case study of Tanzania's ideological past and present.

In his Perspectives article, Harm-Jan Fricke presents research findings following an investigation into the extent to which INGOs in the island of Ireland are engaging with the dominant economic system, i.e. neoliberalism, and its influence on poverty, inequality and injustice. His research found that most development agencies referred to in his research do not contextualise their work in a broader, explanatory framework and 'that little consideration seems to be given to systematic explorations of global economics or of root causes of poverty, inequality and injustice' (Fricke, 2022: 7). Although this was a small-scale study focused mostly on Ireland and nine leading INGOs, its findings are significant in pointing to a lack of systemic thinking in the sector relating individual issues to neoliberal economics despite compelling evidence that the growth paradigm is causing widespread poverty (Alston, 2020; Oxfam, 2020). I have to confess an interest in the research as it was commissioned by the Centre for Global Education and Financial Justice Ireland. Our hope is that the report will be widely read and will be used as a basis for reflection and action in the ID and DE sectors.

The first of two Viewpoint articles by Suiter, Paredes and Coddou McManus asks ‘what now for Chile?’ following a September 2022 referendum that defeated a new proposed constitution which would have supplanted the 1980 constitution promulgated under the Pinochet regime. Despite offering enhanced social rights, increased environmental regulation and wider government responsibility for social welfare programmes the constitution was overwhelmingly defeated. The article asks why and where next for the constitutional reform process? The second Viewpoint article by Henry Giroux sounds the alarm about a growing authoritarianism in the United States as neoliberalism has fostered ‘an assault on public and higher education’ in order ‘to depoliticise and demobilise the majority of the population that opposes its agenda’. A series of reactionary measures have been implemented in Republican states to stifle ‘critical thinking, informed citizenship and a willingness to address social injustice’. Giroux’s article recalls the decision by the Department of Education in England to order schools ‘not to use resources from organisations which have expressed a desire to end capitalism’ (Busby, 2020). Neoliberalism is not just a threat to our social and economic wellbeing but to fundamental principles of democracy; equity, freedom and debate. ‘In the end’, argues Giroux, ‘there is no democracy without informed citizens and no justice without a language critical of injustice’.

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