
The Human Cost of Producing Human Capital

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ABSTRACT In Austria the process of business-oriented educational reforms started 15 years ago but it is only now, after the implementation of the new school-leaving exams in the 2014-15 school year, that everybody has become aware of the profound changes made in the educational system. Despite the long-lasting debates and arguments, and the visible changes, the origins and objectives of the reforms are still ignored, and the reform movement is seen as a modern necessity rather than a well-planned strategy designed to increase profits. In this article, Richard Zaiser, a languages teacher who works not far from Vienna, explores the situation in his country.

Ten years ago, during a sabbatical leave from my educational obligations in Austria, and while ruminating about the past, I decided to explore the future of school. The idea had gradually evolved while I was staying in the small seaside town of Le Havre in France where I had written a semi-autobiographical novel set in medieval Paris. My address at that time, 'le quai de Southampton', seemed to point towards my new destination.

When I stepped onto the ship in Le Havre that would take me to a different time zone I was aware of the fact that the educational system in England would be very different from the one in Austria and that teaching in another country would not be easy at all. Difficult situations, however, help us to fathom our inner selves, and I needed to find out if I really wanted to continue working as a teacher.

During the year that followed, from April 2006 to April 2007, I worked as a supply teacher for an agency in London and filled short-term teaching positions in Luton, Tower Hamlets and Walsall. I soon realised that the change of time zone consisted of more than one hour... As a teacher, I had successfully undertaken a trip into the future.

In Austria teachers looking for work still apply to the educational authority of a particular province. They might also approach schools directly.

Job agencies for teachers are still unthinkable. And all teachers are still paid equally. Being head of the department is additional work that does not earn you a single euro, just as it does not allow you to make significant decisions. Schools are basically run by headteachers who earn a slightly higher income.

I had appreciated being able to apply for jobs around the country but found the process hard on newly qualified teachers who had to compete with everybody else. Many colleagues in England, who then were in their fifties as I am now, found it very difficult to come to terms with the way things had changed in their country.

The Human Cost to the Individual Teacher

Before my sabbatical leave I had taught at a commercial high school in Vienna. I had enjoyed work in the capital but I was happy to leave the business-oriented curriculum. The economics-based approach to education at that vocational school was only a pale shadow of what I should experience in England. I had been hurled into the future.

When I came back to Austria, I started work in a pleasant secondary school not far from Vienna with well-behaved kids and responsible parents. At my new school in Gänserndorf (a small market town), I could even discuss serious literature in my English lessons. Due to the recently enacted reforms, however, literature has lost its significance altogether.

The curious thing about today's reforms is that they skilfully manage to project seemingly new ideals by invigorating the very essence of what they pretend to leave behind. A scientific approach has been adopted to compel the new generation to obediently conform. All their intellectual capacity has to be directed towards economic purposes. Those who promote the school reforms do so by imposing greater workloads on teachers and blaming them for the problems society cannot resolve, while remaining silent about the objectives obviously pursued by the Organisation for Economic Co-operation and Development (OECD). Teachers have to listen to the miraculous promises of standardisation and 'competence orientation', and are not meant to discuss the OECD's evident intention to renew conservative ideals by using 'left-wing' language.

There is no glorious past that could be invoked. Education has always been an instrument for the ruling class even when adhering to idealistic views, and I seriously doubt that there is any country that could be a model for others to follow. In the past, problems were often covered up and passed over. Today they are inflated. I could not defend the 'old school' and I am not happy about the 'new' one. One thing is clear, however: instead of comparing results and putting pressure on students and teachers alike, we should discuss things openly and find means of working together more effectively.

School has become a place where the pressures of earning money predetermine the way children are taught. In a speech in December 2003 Gordon Brown put it like this:

I want teachers able to communicate the virtues of entrepreneurship and wealth creation. And just as business tycoons have become the pop idols of the business world, I want our local business leaders to become role models for today's young. (Gordon Brown, quoted in Ball, 2007, p. 170)

Parents anxious about their children's future willingly or unwillingly have fallen in with the technocrats' designs to produce a useful and flexible workforce, consuming and toiling away at high standards. Thus, the education system could be handed over to avaricious capitalism, contributing to increasing inequality in our society. Joseph Stiglitz has frequently warned (e.g. in his book *The Price of Inequality* [Stiglitz, 2012]) about the widening gap between the very rich and the remaining 99% of the population. This development is confirmed by the International Monetary Fund:

During the expansions of 1993-2000 and 2001-07, the income of the top 1 percent grew far more quickly – at an annual rate of more than 10.3 percent and 10.1 percent, respectively – than that of the bottom 99 percent, whose incomes grew at a 2.7 percent annual rate in the earlier expansion and 1.3 percent in the later one. (Alvaredo, 2011)

Thatcherism, the global education 'reform' movement (GERM) and an increasing income inequality seem to go hand in hand: 'In Western English-speaking countries, inequality declined until about 1980 and then began to grow again' (Alvaredo, 2011).

Teachers who have acquired a certain amount of experience and for whom teaching has become a matter close to their heart find it difficult to embrace the shift towards competency-based teaching and standardised testing.[1] A small number of teachers have seen it as offering a boost to their progress up a career ladder. Most have unwillingly (and disheartened by the constant denigrations of the teaching profession) conformed to it. The question, as Patrick Yarker puts it, is the following:

What is the human cost to the individual teacher required to be silent, to shift their ground, to act contrary to that which they find they indeed believe in? And if you cannot set some or all of this aside, silently or noisily, where does it take you? (Yarker, 2005, p. 170)

What is the human cost to the teacher of delivering lessons according to standardised expectations? What does it cost teachers to function against their better judgement? Why do we all accept the tyranny of statistics and why do we stay silent when showered by euphonious lies? The 'Emperor's new clothes' are not invisible. Their smooth texture forms a colourful pattern of rhetorical refinement.

While we are constantly reminding ourselves that we need to teach critical thinking and democratic values, 'we' (i.e. the majority of all the people working at schools and universities) shut our eyes and minds and do not even want to know what is going on. If 'the crucial test in the search for meaning in education is the *personal implication* of what we learn and teach' (Jersild, 1955, p. 80), or, to put it more succinctly, if 'what we teach is ourselves' (Yarker, 2005, p. 169), it is not only the human cost of the suffering teachers that is at stake. At stake also is the act of teaching itself! How can teachers create meaningful lessons when they are resignedly following a doctrine they would not have chosen of their own free will?

Great Expectations and Simple Facts

The recent educational reforms have one thing in common: they all use the language of advertising. Often the names of the reforms could have been and probably were coined by marketing specialists: 'No Child Left Behind' in America or '*La Buona Scuola*' (the 'Good School') in Italy. In order to sell a standardised comparable commodity, policy makers make big promises. Great expectations to do with equality, individualism and autonomy are aroused, calling for a study into this Orwellian language. And then, of course, there is the need for continual improvement:

Expectations of 'continual improvement' exist in tension with 'comparable outcomes' required by the examination system. I argue that these conflicting demands cannot be reconciled and should be reconsidered, posing questions aimed at stimulating debate about what we really hope to achieve for our young learners. (Taylor, 2015, p. 240)

We have seen hard times and are deluded by great expectations, so let us stick to the facts. The current educational reforms are instigated by the OECD. This simple fact deserves more attention. Although the curriculum in secondary schools in Austria was adapted in the year 2000 to suit the proposals of the OECD, the influence of the OECD is largely ignored and the statement that the education system is required to serve the economy is not perceived as a fact but as an accusation by 'left-wing' critics.

It took me some time to dig up all the details that were necessary to put this puzzle together. I am still astonished, or rather should I say 'shaken', by the facts that I briefly want to summarise in the following paragraphs:

The OECD held a policy conference in 1961, the year of its foundation. Right from the start, education and human capital played an important role for the organisation. The term 'human capital' was introduced most probably by Theodore Schultz in March 1961 (Schultz, 1961) and was used during the conference in October:

In general, the successful countries will be those which are able to accumulate physical and human capital rapidly and to utilize both in

high-priority, productive activities.... any development plan which does not give high priority to human capital formation is simply unrealistic and almost certainly destined to fail. (OECD, 1965, ch. III. The Challenge of Aid to Newly Developing Countries)

In 2007 the OECD published Brian Keeley's book *Human Capital: how what you know shapes your life*. Its website offers a free download in five languages. The author of this book refers to Gary Becker's book of 1964, *Human Capital*. The OECD patiently bided its time until it was finally possible to discuss this neoliberal concept more openly:

From its inception, the OECD has stressed the importance of human competencies for economic and social development. At the new organisation's Policy Conference on Economic Growth and Investment in Education, held in Washington, DC in 1961, emerging theories of human capital then being developed by Gary Becker, Theodore Schultz and others were brought centre-stage in the international dialogue. (OECD, 2011, p. 16)

Competency-based teaching and testing have made it possible to bring education and business together even more closely. And this is not only done through the underlying concept of measuring functional units. It is also done on the surface. The term 'competence' can easily be attached to any other word, and in German innumerable competencies pullulate in a mind-boggling manner: *Kaffeekompetenz*, *Weinkompetenz*, *Italienkompetenz*, *Teppichkompetenz*... It is not always easy to translate those new words: coffee competence, wine competence, competence for Italy, competence for carpets or carpet competence...

The OECD's wish, expressed fifty years ago, has finally been fulfilled. The two spheres have been united:

The expansion of educational effort is everywhere hampered by a shortage of resources which only the national economies can provide. There is in consequence an absolute necessity for the economic and educational spheres of policy to be much more closely in contact than in the past. (OECD, 1965, p. 6)

Whereas the economy's impact on what happens in schools is often 'rumoured about', I have never heard any direct explanation of the OECD's influence at school. I have wondered about it many times, but I do admit that two years ago I could not have explained this fact either. How can it be that the OECD's implications are never mentioned at school and that most teachers ignore this organisation's impact on the recent reforms and the curriculum?

The simple explanation would be that the term 'human capital' is not very friendly, and although ministers of education meet to discuss the concept of 'human capital' they would not dream of talking about it publicly. In November 2010 Claudia Schmied, then minister of education of Austria, invited her counterparts to Vienna to a meeting about 'investment into human capital'. In

2000 the heads of states of the European Union (EU) (i.e. the European Council) had already adopted the concept of 'human capital' as a leading idea in Lisbon.[2]

The most surprising fact, however, is not the strong influence of the economy, but the manner by which it is exerted: all the effort of praising competency-based teaching is only a colourful cover for the unpopular concept of human capital.

Human Capital and Competencies

In 1997 the OECD launched the project 'DeSeCo' [3], which might be compared to England's '1988 Education Reform Act'. Howard Stevenson has pointed out that the 1988 legislation had both 'immediate and dramatic' consequences (introducing a national curriculum and standardised testing) and a slowly realised long-term effect. Twenty-five years ago the education system was directed towards an 'entirely different trajectory' (Stevenson, 2011, p. 180) – namely, a market-based system dominated by private providers and overshadowed by public spending cuts. It is only now that the 1988 Reform Act has been fully realised. England has always been ahead of the rest of Europe. In other EU member countries the major shift in education was probably initiated a decade later, via the 1997 DeSeCo project.

I started attending seminars about Austria's new GCE exams in 2009. The role of the OECD has never even been alluded to in these seminars. Teachers are instructed in a simplified and piecemeal way. It is not only students who are spoon-fed...

In 2012, I initiated a personal attempt to strengthen cooperation between teachers of French in Lower Austria (the province where I teach) and managed to link up with similar endeavours in other provinces through which colleagues could meet and discuss matters on a national level. My intensive work for the new exams led to a deeper interest in the origin of competency-based teaching and standardisation. Information about it, although not hidden, is shielded by an enormous amount of propaganda and theory.

I do get carried away when writing about this issue! The incredible thing about the DeSeCo project is that I had never heard about it at school. I had discussed the reforms with colleagues at seminars over several years, and also at a symposium about transversal competencies [4], and I had been involved intensely in the preparations for the new exams, and yet I did not know anything about the direct influence of the OECD.

Who should be asked to conceive and put down in writing the new elementary skills or 'key competencies' that should be taught at school? Ministers of education? Professors of pedagogy? Headmistresses and headmasters? School teachers? Parents? Future employers and teachers together? They all should have worked together but none of them has been asked. The 'DeSeCo' project was carried out by BfS (the Federal Statistical Office of Switzerland) with help from the USA (the National Center for

Education Statistics). Swiss precision and American determination were successfully linked together to prepare the development of 'human capital' in educational institutions:

The development and maintenance of human capital in terms of skills and competencies represents an important factor for sustainable development and social cohesion. ... In 1997, the DeSeCo Project (the acronym of Definition and Selection of Competencies: Theoretical and Conceptual Foundations) was launched by the OECD with the aim of providing a sound conceptual framework to inform the identification of key competencies, to strengthen international assessments, and to help to define overarching goals for education systems and lifelong learning. (BFS, 2016)

I am not so much astonished by the fact that neoliberal tendencies take hold of our educational system, a fact that is researched in great detail by Stephen J. Ball in several books, as I am by the irritating situation in schools where not even the 'OECD', let alone the 'DeSeCo' project, is mentioned, discussed or referred to. Should we not deal with these facts openly? Instead, detailed instructions are adhered to religiously. Alas, this is nothing new:

Many of the problems in language teaching have in the past been, as it were, self-inflicted, created by the teacher's over-zealous servility in imitating whatever model of linguistic description happened to be currently in vogue. But the teacher should have his own principles of description, his own criteria for adequacy, and these derive from pedagogic considerations. (Widdowson, 1979, p. 171)

School reforms across Europe and even across the world are driven by economic principles as set out by the OECD. In 2010, ministers of education from OECD member countries discussed the importance of 'human capital' in Vienna. The close link between neoliberal ideas and school reforms is hidden behind mellifluous language, but it is evident that these reforms are intended to help to create a flexible, hard-working and self-reliant workforce. The word 'competence' very elegantly unifies economy and school in our everyday language: *Teppichkompetenz* (carpet competency) and *Lesekompetenz* (reading competency) seem to belong to one category and have prepared the two spheres to form one unit, just as the Austrian Ministry of Science was abolished in December 2013 and its duties (overseeing science and universities) handed over to the Ministry of Economic Affairs.

Since competency-based teaching and standardisation have become a 'single currency' for all reforms, a deeper understanding of this phenomenon would be of vital importance to reduce the impact and to set a limit to the tyranny of statistical dictatorship.

Education Revisited

How will I be able, in this professionally polished and competency-oriented school, to act according to my personal conviction? How will I be able now to continue teaching when obliged to conform to standardised expectations? Should I deplore having spent so much time and energy on gaining insight into the intricate script of educational tragedies? Not knowing enables us to point out easy solutions while remaining inactive. Exploring social changes, economic shifts, chaotic developments and well-planned strategies leaves us with the realisation that there are no quick fixes to repair out-dated structures. The obvious solution would be to start afresh and democratically discuss the aim of education.

We need to revisit the question of what education is for, and related to that, address how we should decide these things, or to put it another way, who should decide. (Ball, 2015, p. 8)

This would be an urgent step, because the individual cost of rendering more efficient the equally out-dated economic model of merely profit-oriented capitalism leading to more inequality is detrimental to our health and happiness.

The evidence suggests that wealth inequality has a widespread and significant negative effect on wellbeing. After many possible confounding factors are taken into account, people living in affluent countries with the greatest wealth inequality live, on average, four years less than those in the most equitable countries. (Dorlin, 2014)

What is the future going to be for today's children? Most likely they will have to work incessantly harder while their contracts of employment will legalise exploitation. It is the ethical duty of teachers to oppose such a development.

From my experience I do not see any hope that the fundamental question will be revisited through an educational grassroots movement at school. The only tangible hope I can see is to change the current economic model as suggested by Joseph Stiglitz in America, Daniel Cohen in France and Christian Felber [5] in Austria, to name but a few. Before there is any hope that education itself can change, we need to change the economy.

Notes

- [1] In Austria the two buzzwords for the recent educational reforms are 'standardisation' and 'competency-based orientation in teaching'. The new GCE exam is called the *Standardisierte, kompetenzorientierte Reifeprüfung* (standardised, competency-based school-leaving examination). Every new textbook is labelled *kompetenzorientiert* (competency-oriented) and no existing school book will survive unless it is revised accordingly. Officially it is an attempt to ban learning pieces of information by heart, and to replace content-based lessons by skills-based teaching. While this sounds convincing, it conceals the fact that the main

objective is calibrating students' intellectual skills and measuring comparable outcomes.

- [2] The so-called Lisbon Strategy aimed to make the EU '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'. Utopian goals have been set for both economic development and educational reforms (e.g. in America's 'No Child Left Behind' legislation).
- [3] The Definition and Selection of Key Competencies; <https://www.oecd.org/pisa/35070367.pdf> (accessed 14 May 2016).
- [4] In German-speaking countries the term 'competency' has become a 'best-seller' for easily accessible teaching material and scientific publications alike. Probably the most frequently invoked word combination reads '*fächerübergreifende Kompetenzen*'. There are various translations (transversal competencies, interdisciplinary competencies, non-academic skills), and the term might imply both key competencies (e.g. self-discipline, self-management, computer literacy) and cross-curricular skills.
- [5] Economy for the common good, <https://www.ecogood.org/en> (accessed 14 May 2016).

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