

Education and the State



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E. G. WEST

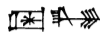
Education and the State

*A Study in Political
Economy*

Foreword by Arthur Seldon

Introduction by Myron Lieberman

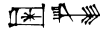
Third Edition, Revised and Expanded



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FOREWORD

Since it was first published in 1965, Edwin G. West's pioneering study of the origins and economics of both state and private education in his *Education and the State* has become something of a classic in modern scholarship. The first edition of the book represented a direct challenge to the conventional misinterpretation of history which held that state involvement in education in 1870 was necessitated by the rudimentary patchwork of private schooling (much maligned in the fictional works of Charles Dickens). Ironically, the enlarged second edition of *Education and the State* was published in 1970, as British politicians and the educational establishment were celebrating 'the centenary of state education'. In the ensuing years, Professor West has continued to strengthen and refine his analysis of the history and economics of education.

This new third edition is especially timely, as the continuing failure of state education becomes increasingly evident on both sides of the Atlantic. This edition presents telling evidence that there is an almost precise parallel in the misinterpretation of history in both the United States and Great Britain; and it analyses the vain attempts made to introduce market techniques as a remedy. Professor West has extended Chapter 12 to bring up-to-date the history of the failure of state education in Britain; and he has added Chapter 17 to demonstrate an almost identical failure in the United States.

The government in Britain has given the new power to 'opt

out' of the state system to the producers of schooling and denied it to its consumers. In public-choice terms, as Chapter 12 demonstrates, the structure of power and self-interest in state education has led central and local government officials and teachers to resist the transfer of power to the consumers of education. The state's refusal to return taxes (indirect as well as direct) to parents so that they might pay fees in a free market for education reflects the propensity of the bureaucracy to protect state schools from competition from better private schools. This practice thus suppresses the 'supply-side' effect that occurs when school officials respond to consumer demand.

The American experience, as shown by nineteenth-century developments in New York State, produces comparable evidence that vindicates the central theme of *Education and the State*. Although private education had been growing impressively since the early 1800s in both Britain and New York, officials misread the evidence in both localities. Moreover, the growth of state education was buttressed by the now familiar (and false, as Professor West shows) claims of external benefits that required state supply of education. In both countries, the growing faith in the state replaced the old view, reflected in the classical liberal teachings of such thinkers as Adam Smith and Nassau Senior, that parents should be encouraged to pay for education. In economic terms, the concentrated interest of the politicians, bureaucrats, and teacher suppliers overcame the dispersed interests of the consumers in a free-market system. And the argument heard in Britain that the poor could not pay was supplanted in New York by the assertion that only the state could pay for all children.

The lessons gleaned from *Education and the State* can be broadened to apply to the conduct of democracy as a political system. Adam Smith taught that it was the instinct of every man to better

his condition. The world has painfully learned that free markets, and *not* state monopolies, are the institutions required to fulfil this instinct. Professor West's studies of education in Great Britain and the United States point to the conclusion that because it is more sensitive to organised educational interest groups than to unorganised students and parents, representative democracy often frustrates the instincts of every consumer of education because it leads away from the free market and toward state monopoly. This is the ultimate contribution and achievement of Professor West's scholarship.

Arthur Seldon

Arthur Seldon is a Founder President of the Institute of Economic Affairs in London. He is the author of *Capitalism* (1990) and *The State Is Rolling Back* (1994).

INTRODUCTION

Education and the State is a comprehensive indictment of public education or, more precisely, a powerful repudiation of the idea that education should be a government service funded by tax revenues. Even proponents of public education are likely to agree that West's rigorous analysis invites a radical rethinking of the rationale that underlies the creation of state-run education and calls for the continuation of government schools in the United Kingdom and the United States. At bottom, this book raises the fundamental question of whether the education of our youth is a proper function of government. *Education and the State* argues persuasively that, except for the truly indigent, government financial support for education is neither essential nor desirable.

In debunking the myths of public education, West challenges the false assumptions upon which it was originally established in the last century. He demonstrates the fallacies in the claim that government schools were needed to protect minors. He also thoroughly discredits the so-called "neighborhood effects" argument, which held that government schools were necessary to reduce crime, increase equality of educational opportunity, inculcate the common values of a democratic society, and achieve economic growth.

In his historical analysis of the antecedents to the creation of government schools in England, West shows that there was an extensive system of private education before 1870 and that the

vast majority of children were receiving at least a primary education. The high levels of literacy that preceded compulsory education and government schools in England will surprise many readers. A government commission that reviewed the situation at the time recommended strengthening the existing system, *not* replacing it with government schools. Why, then, did Parliament, in 1870, enact educational legislation establishing government schools? West explicitly argues that misleading government reports, along with an abundance of studies done by educators with more than a modicum of self-interest involved, played a critical role in the decision. This is hardly surprising, of course, given the fact that government agencies and government officials throughout history have frequently disseminated reports that are heavily biased in favor of programs they espouse.

Unlike so many critics of modern education, West insists upon taking into account *all* of the consequences of public education. This leads him to point out that government provision of education has greatly weakened the educational activities of private voluntary organizations, especially religious groups. Although government schools were supposed to increase the opportunities of the children of low-income families, they did not emphasize the long-range versus the short-range consequences of human conduct. Voluntary denominational schools, more than public schools, emphasized the importance of hard work and delayed gratification and encouraged the young to take the long view. Therefore, the poor have had the most to lose with the decline of private denominational schools, and many poor children would probably have been better off had government schools never been created.

The decline of voluntary denominational schools also raises

several interesting questions. When the first edition of *Education and the State* was published, almost 90 percent of the private schools in the United States were denominational; and of those almost 90 percent were Catholic schools. A question arises: If government reduced its support of education, would denominational schools regain the commanding position they once held? Undoubtedly, they would experience an expansion of some sort, but it is questionable whether they would ever achieve the dominant status they once enjoyed. Nevertheless, private schools of the future may foster some of the moral values associated with a religious point of view. This would seem especially likely if government schools are replaced by schools for profit.

A nagging question in the debate over the retention of government schools concerns the fate of the poor. How would the children of the less fortunate members of society be educated if public schools ceased to exist? As West points out, in England the funds for public education were raised largely by consumption taxes—regressive taxes that fell most heavily on the poor. In emphasizing this little-known fact, West challenges the conventional wisdom that the poor could not afford to send their children to school without government support. *Education and the State* suggests that most low-income families in England and the United States could afford private schooling if they were relieved of the regressive taxes for government schools.

This new edition of *Education and the State* is being published at a time when the decline of the extended family is both cause and effect of the tendency for government to usurp more and more the functions of the family. Before government schools became a monopoly, families tended to take care of their own,

whether indigent, disabled, or retarded. Today, however, pressures mount for government to expand its family support role. Each government expansion weakens individual and family responsibility; and, in turn, each decline in individual and family responsibility seems to increase the pressures for government intervention and support. West explains how this interactive process has led to the enormous expansion of government schools in Great Britain and the United States. The reader will note, however, that West does not suggest a strategy for reversing this erosion of family responsibility. *Education and the State* points to the *fact* of erosion and shows how it happened, but West stops short of discussing a strategy for restoring producer and consumer incentives to educational services; this task is beyond the scope of West's book.

Education and the State is a book whose insights transcend the particular era or circumstances in which it first appeared. In this, and in many other ways, it is a landmark in the field of modern education. It is today, as it was in 1965, an appropriate point of departure for thinking about the future justification for government schools, compulsory education, and a host of other issues pertaining to educational reform. Given the fact that West wrote most of this book when the school choice movement was intellectually impoverished and politically feeble, his achievement is all the more timely, prescient, and remarkable. Indeed, *Education and the State* is actually more relevant today than it was when it was first published, for in 1965 the deleterious effects of public education were not so apparent as they are today. Educational achievement has declined in Anglo-American society since the first edition of this book was written. The question is not whether the public schools have deteriorated, but why. It is precisely at this point that