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## ON THE DRY SIDE 420

### The Education Problem

*John Hyde*

"[T]hose in the front line of day-to-day education know the system has reached the end of the road: demoralised teachers look for other jobs, students treat their education with contempt, parents and employers are baffled by the ignorance and near-illiteracy that are widespread among young people". The quotation comes from Dr Michael James writing the foreword to a recent Centre for Independent Studies publication, "The Education Monopoly Problem" by the Canadian economist, Professor Edwin G. West. Most Australians have experienced the demoralisation, the contempt or the ignorance.

While there is broad agreement that education is in trouble, there is no similar agreement about why. Complete agreement would, of course, be unlikely---education is complex; data about it is difficult to find; discussion is clouded by strong ideological preferences; and teaching is dominated by producer interests. On the last point, the parallel with other service industries, such as hospital care, medicine, law and telecommunications, is striking. In each industry, suppliers defend anti-competitive regulations with assertions that ill-informed consumers must be protected from unwise choices. (How they reconcile such a low opinion of the common man with a preference for democracy they seldom say.)

Nevertheless we can eliminate some disagreement. For instance, whereas citizens of the United States know that 13% of 17-year olds are functionally illiterate, we have no such data. Its collection has been opposed by teacher unions. Unless ignorance really is bliss, Australians would benefit from standardised assessment procedures designed to provide measures of the relative success of teachers, schools, school systems and teaching methods.

The often angry responses to *The Australian's* recent survey of student knowledge probably told us more about the causes of the 'education problem' than did the survey itself. Surely we would learn more about education, if, instead of

accusing their critics of 'teacher bashing', educators were more inclined to accept that the concern was sincere and, therefore, deserved a considered response. After all, does not the willingness to evaluate contrary evidence and contrary argument distinguish education from indoctrination?

Teaching, like doctoring or fixing the telephone, requires skill and effort, and it is not written in the stars that everyone employed as a teacher teaches well. Further, teaching methods and educational systems are evolving. Choosing between methods and systems is unavoidable and teachers, Ministers for Education and parents all claim the right to make the necessary choices.

No-one can do that properly without hard information and the benefit of argument. But even the best test results and most learned argument alone cannot regulate anything as complicated as an education system.

Producers and users of educational services must receive appropriate signals. For instance, we will not have an adequate supply of good teachers if we pay them too little. Parents are unlikely consistently to choose the best schools, if some schools are 'free' while others are expensive. If the only way that some parents can send their child to a school with standards and values they approve is to move house, then they are less likely to favour such a school than if all they need do is put their child on a bus. If schools and teachers that offer unpopular programs do not experience falling enrolments, and loss of income and status, then they are unlikely to change their ways. And so on.

Appropriate signals are by no means the rule in Australian education. Some of the suppliers of educational services have many of the characteristics of monopolists. In particular, the centralised State-funded system faces the competition only of fee-demanding institutions. No-one in his right mind would pay the fees unless the education was much better than the 'free' alternative.

It is at least theoretically possible that teachers, departmental bureaucrats and their unions are too noble to accept the opportunities offered by the 'education monopoly' (which they defend solely on behalf of children). That is, in the interests of children, they will not use their bargaining strength to demand pay rises, long holidays, job security or curriculum content in line with their opinions. One possible source of educational problems would indeed be absent but there would still be a problem.

Without a freer market, how are teachers to know what children (or their guardians) really want? What would parents choose from among potential services each priced at cost?

Professor West's paper dealt principally with the standard problems of monopoly applied to education. I don't, therefore, think he accepted that educators are wiser than their customers nor even that they are of a more noble caste

than the rest of us---they might, in fact, have about the normal propensity to indolence and greed. That should affect the way we run our school systems.

We would not, he points out, pass laws for the compulsory 'free' feeding of our children at the nearest municipal kitchens; why then force them into the nearest municipal schools? If we are to have a market in education, then there are things that can be done to increase parent power. They include: subsidies for non-government schools, deductions from taxable income for educational expenditure, deductions from tax liabilities, universal scholarships to any school (sometimes called vouchers), per capita grants to schools, school councils with real authority over curricula and teacher employment, decentralised administrations and the abolition of school zones.

West recommends the scholarships. He does so because they give the widest choice to those who now have least and are hardest for producer interests to subvert. It is not surprising that they are opposed by the monopolists, but unless we design a system that automatically rewards what parents want and punishes what they do not, the best teacher and school assessment programs and best teacher education will do little to overcome the education problem---even if teachers are saints.

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