

# Britain: The business of education under Labour—Part 3

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29 March 2010

*This is the conclusion of a three-part series on the extent of the privatisation of state education under the Labour government. Part 1 was published March 26, and part 2 was posted March 27.*

Not one of Labour's policies towards education have been the result of demands from the broad mass of the population. They have come from big business.

Labour deepened its relations with business and the financial consultancy sector in the 1990s, as it sought to transform itself into "an electable party" by acquiring a "more business like image". Removing itself from any semblance of control by the working class that once formed its major constituency, it became increasingly dependent upon big business for finances and political support, in return for knighthoods, seats in the House of Lords and greater encroachment into the public sector.

On taking office in 1997, Labour vastly increased the number of political "advisors", recruited from the business and financial elite, creating a second civil service beholden to itself, and changed the relationship between the higher echelons of the public sector and business. There is now a revolving door, in which senior civil servants—and former ministers—take up lucrative posts in the private sector where they can put their knowledge of and contacts in government to good use.

Labour's privatisation policies have been designed by, awarded to and evaluated by the international financial and business services consultants PWC, KPMG, Accenture (formerly Andersen Consulting), McKinsey and Deloitte, whose staff also sit in key Whitehall departments on secondment from or even paid by these giant firms. Their entry into the Treasury is particularly important, since it has become by far the most important department under Labour.

The government's use of consultants has gone up markedly in recent years. To cite but one example in the context of education, PWC produced a report advising the government on how to develop a *Market for Disabled Children's Services*.

Spending on consultants across the public sector reached a massive £2.8 billion in 2005-06, up from £2.1 billion in 2003-04, an increase of one-third over two years. This excludes the money spent on failed IT systems procured from the same firms. In 1996, the management Consultancies Association (MCA), whose members make up just half of the industry, earned just £196 million from the public sector. Even the National Audit Office reported that many of their services did not represent value for money and on many occasions Whitehall would have done better to use their own staff.

David Craig, in his *Plundering the Public Sector*, gave numerous examples of areas targeted for reform by the consultants, or of IT

systems implemented by them where productivity had actually declined and costs had risen, not least because of their enormous fees. He said that one leading management consultant had publicly advised his fellow practitioners prior to the 2005 general election to "vote with their wallets and vote for Labour".

The relationship between the government and its financial advisors and backers is thoroughly corrupt. Anthony Sampson, in his book *Who rules this place? The anatomy of Britain in the 21st century* found that senior accountants "were also shocked that the government could allow such an obvious conflict of interest". He believed that they were becoming a serious threat to democracy as their networks penetrated Whitehall.

Labour's close relationship with the financial consultants is only one expression of the degree to which the party has recast itself as the political representative of the financial oligarchy.

## **The cost of creeping privatisation**

Labour's reorganisation of schools has come at an enormous financial cost, which the government presents as meeting its promise to prioritise education. Far from increasing efficiency, it has led to an enormous waste of resources.

Schools in England, more than 90 percent of the UK, spent more than £31 billion in 2007-08, a 56 percent increase in real terms since 1997-98, although this does not include those schools directly funded by central government, such as the Academies and CTCs. In terms of spend per pupil, this translated into an average of £4,830 compared with £2,900 in 1997-98, an increase of approximately 67 percent, given that the numbers are not strictly comparable due to changes in what is included and excluded. The increase per pupil is higher than the funding increase due to pupil numbers falling by 80,000.

But despite large class sizes and increased funding, the number of teachers in all publicly funded schools in England has risen by just 32,000 since 1997, an increase of less than six percent. As a result, class sizes have not fallen. The official statistics are manifestly absurd and bear no relation to actual class size: they include all qualified teachers, including those senior staff (17 percent) and others who do little or no teaching. But even these figures show that the pupil teacher ratio has hardly changed—falling from 23.4 pupils per teacher in primary schools in 1997 to 21.6 in 2007-08 and 16.7 compared with 15.9 in secondary schools.

While the number of teachers has remained essentially static, schools have made greater use of non-qualified staff. There are now 90,000 teaching assistants in primary schools, up from 24,300 in 1997, and 24,700 teaching assistants in secondary schools, compared with none in 1997. A recent survey by London Metropolitan University

found that 33 percent of schools admitted to using support staff to cover for absent staff.

The increase in non-qualified staff is indicative of the de-skilling of teachers, the “dumbing down” of the curriculum and educational standards, and the development of a two-tier workforce.

The increasing administrative burden imposed by government reforms is also reflected in the burgeoning number of administrative and clerical staff. Primary schools now employ 29,500 office staff, compared with 19,400 in 1997, while the number of office staff in secondary schools has gone up from 17,600 in 1997 to 37,900 in 2009.

Much of the additional money has not contributed one iota to the quality of education. Enormous sums have been spent on expensive management consultants and failed projects such as the Education Action Zones and Individual Learning Accounts that were riddled with fraud and mismanagement. Salaries for head teachers and their deputies have ballooned, with more than 1,200 earning more than £80,000 a year in 2007. Using the private sector to finance the school building programme has added to the cost. In the case of hospitals and roads, the cost of private finance over and above the cost of public finance has added 20 percent and 40 percent a year respectively, while any changes to their long term service contracts have resulted in major cost increases. Private finance will be no cheaper in education.

Not only has private finance cost more, but schools have been locked into long term service contracts. For example, in catering, schools have been unable to remove “junk food” from the menu even though the government pledged to improve the quality of school meals. Not only have schools lost control over their services and facilities, they have lost a small but important source of income for letting out their premises.

Even more importantly, the increase in school funding is totally inadequate in the face of the increasing poverty and social inequality which, coupled with the broader intellectual decline in popular culture and the mass media, have had a devastating impact on children’s educational achievement over the past decades. Education in Britain has long been characterised by inequality, with children from poorer backgrounds doing less well than children from more prosperous backgrounds.

The House of Commons Select Committee on Education said. “It is unarguable from the evidence presented to us that poverty is the single biggest indicator of low educational achievement”.

The 2007 UNICEF report on the well being of children and adolescents placed Britain at the bottom of a league table of economically advanced countries. It found that children in the UK suffer greater deprivation, worse relationships with their parents and are exposed to more risks from alcohol, drugs and unsafe sex than any other wealthy country in the world. This was reflected in the children’s educational attainment, with Britain ranking 17 out of the 21 most advanced nations.

Despite this, just 10 percent of the government’s schools allocation to local government is specifically allocated on the basis of social deprivation and many of its initiatives have been very short lived.

While the government makes much of its increase in funding for schools, it pales into insignificance when compared with the increase in resources enjoyed by private schools, which educate just seven percent of schoolchildren in Britain. Average annual fees for private schools of £9-10,000 are nearly double the average public spending per pupil and have risen by more than 40 percent in the last five years.

The difference in resources between the two sectors is widening, not narrowing. This is reflected in the pupil to staff ratios. In 1997, the ratios, based on the total number of teachers employed not those actually teaching, were 16 in state maintained schools and 12 in private schools. Now they are 16 and 9 respectively.

The results have been woeful: a huge rise in the cost to the taxpayers, students and their families, a decline in educational standards and an increase in exploitation for those working in education. The corporations and financial institutions on the other hand have seen not only a massive increase in their profits, but have also acquired an ever greater control of the direction of educational policy and the delivery of education.

Not one of the trade unions involved in education and children’s welfare have lifted a finger to prevent successive governments privatising education by stealth, de-skilling both jobs and education, casualising the workforce, selling off playing field and lands and closing schools. Instead they have collaborated with the myriad measures imposed by the Labour government aimed at destroying what remains of the education system. Each new measure is met with handwringing and pleas to retain the existing arrangements that only a few years earlier they had at least verbally opposed.

All social gains in Britain, including state education, were won only by and through struggle and in the teeth of entrenched opposition by the ruling elite. It has never been possible to establish a decent and equitable system of public education within the framework of the capitalist profit system, where everything is subordinated to the accumulation of private profit. This was true even in the heyday of the post-war welfare state. It is doubly so today, amidst the greatest ever economic crisis of the capitalist system following three decades of the most grotesque forms of financial speculation.

The capitalist system is bankrupt and beyond reform. It must be replaced by socialism, a society based on public ownership of the vast productive capacity of mankind, where society’s wealth is allocated based on what is needed by the many rather than the private enrichment of the few. This requires a mass mobilisation dedicated to breaking the grip of the financial aristocracy over society and its resources, placing them under the democratic control of working people. It demands above all a final organisational and political break with the Labour Party and its allies in the trade unions and the building of a new and genuinely socialist party of the working class.

*Concluded*



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