Education and the State: A Study in Political Economy. E. G. WEST. London: The Institute of Economic Affairs, 1965. Pp. xiii, 242. 40s.

This angry polemical volume has already raised a good many hackles and a good deal of dust in Britain. At its worst it reads something like the brief of a lawyer with a bad case, who digs up every conceivable argument that will support an already foregone conclusion. Furthermore, it sweeps out some of the dust from under what has been the intellectual furniture of most of our minds for the last three or four generations, the unquestioned assumption that a near-monopoly of public education, compulsory and free and administered by local authorities, is the only type of educational system which could possibly be adapted to the modern world. This is an article of political faith so deep and so widespread in virtually all countries that a challenge to it comes almost as a physical shock. So many of us, including this reviewer, are products of the system which Dr. West decries, that his attack almost has the impact of an attack on motherhood, and it is not surprising that this angry book has produced some angry responses.

In spite of the polemics, however, and the occasional thin argument, this is a book to be taken seriously; it is part of a growing volume of dissent from established orthodoxies which lays great stress on the freedom of the individual, in this case the individual parent, as a high priority object of social policy, and which points to the institution of the market as the major instrument by which individual freedom can be reconciled with some sort of overall social objectives and control. The loss of legitimacy of the market as a major social institution, which took place in the course of the 19th century, is one of the principal keys to modern history. In the British case, the Education Act of 1870, associated with the name of W. E. Forster, which established a system of universal, heavily although not completely subsidized public education through the Board schools, represented a political consensus that the market in this form of private schools financed through fees was inadequate and hence had to be totally replaced, not merely supplemented, by public education. It is Dr. West's principal concern to show that this solution was not necessary and that in fact it has led to a situation where the monopoly of education by the state has not only severely limited parental freedom but also has adversely affected the quality and the consequences of the education itself.

In defense of this thesis Dr. West goes back first to the arguments that were used, especially by the classical economists and their followers, to justify extensive public intervention in education, and then goes on to discuss the actual history of the period before the Education Act

of 1870, and some of the consequences which he believes follow from it. The theoretical justifications rest first of all on the "protection of infants" principle, which has generally been acknowledged as a legitimate function of the state. West argues that, however legitimate the principle may be, it does not necessarily justify a state school system, for the state can deal with cases where infants need protection by methods which are more to the point in the individual case. He argues also that the Education Act of 1944, by virtually preventing parental choice of school, in fact removes children from the protection of their parents, which he thinks is usually very good, and places them under the totally inadequate protection of an educational bureaucracy.

The next great justification for state education he calls the "neighborhood effect" argument, which is what economists have usually called external economies. This is the argument that the benefits to society from the education of most individuals is larger than the benefits to the individuals or especially to their parents, and that hence if this service were to be left to private schools and the market, it would be inadequately provided; for people can only be expected to pay privately for their own benefits, and not for the additional benefits which might accrue to society. Here again West admits the validity of the principle; however, he seeks to deny it largely in practice, arguing that public education has not decreased criminality, has not done very much to encourage democracy, has not created equality of opportunity, has not created common values, and makes at least a doubtful contribution to economic growth.

Furthermore, West contends that the virtual state monopoly of education (which, however, even in Britain is not quite as great as might be imagined) destroyed parental responsibility and a large volume of private education and led to pedantry, rote learning, and a probable decline in quality.

These are accusations, of course, which would require a great deal more research before one could be sure that they are justified; nevertheless, even if one does not admit the necessary validity of Dr. West's answers, it is hard to avoid acknowledging the validity of his questions. How freedom of choice could be reestablished, how parental concern for education could be nourished, how the family can be made an essential part of the total learning process, and even how the market can be utilized in the achievement of these desirable ends, all seem to me entirely legitimate questions which are as important for the United States, and indeed for all countries, as they are for the British scene which Dr. West particularly describes. We are so accustomed to using

the police power in education, not only to compel children to attend school, to penalize parents who object to their children attending school, and what is more, to compel school teachers to attend large numbers of education courses and to impose what may be rather artificial standards for accreditation both of schools and of teachers, that the idea that we might leave education to the market is positively frightening; for this would, as Dr. West himself suggests with some slightly malicious glee, destroy the whole concept of a "system" of education. No one, of course, seriously proposes leaving education to a completely unregulated market, even though as Adam Smith observed, in those parts of the educational system in which the market is still employed: "When a young man goes to a fencing or a dancing school, he does not indeed always learn to fence or to dance very well; but he seldom fails of learning to fence or to dance." Certainly as one contemplates the low status of schools of education, which rely essentially on the police power to maintain themselves, with courses that are required for certification, and contrast this with the law schools or the engineering schools or even the medical schools, where the products have to justify themselves in the open market, it is hard not to wonder whether the cost of an educational system imposed by the police power is not pretty high.

There is reasonable fear, of course, that if we turn education into the free market and allow it to be priced at its full cost, like dancing or violin lessons, education will become the privilege of the rich and the poor will be priced out of it. This would create a caste structure in the society, possible social instability, and would deprive even the rich of the external economies which they might gain from the education of the poor, even if the education became more efficient in general. This then raises the questions of subsidizing the education of the poor. Should this be done by direct subsidy, for instance some kind of negative income tax which relies on the motivation of the poor to educate their own children and enables them to do this by making them less poor; or should there be some kind of special pressure to see that poor parents do not evade this responsibility?

Fears of evasion have given rise to the "voucher" scheme for subsidizing education, which has been proposed by other British economists, notably Professor A. T. Peacock and J. Wiseman. Under this scheme, the parents of all children would be given vouchers which could be exchanged for education at whatever school they wished. The plan insures that a certain proportion of income is spent on education, and that it is

¹ SMITH, THE WEALTH OF NATIONS, bk. V, ch. 1, pt. 3, art. ii (5th ed. 1789).

divided fairly evenly among the income classes, so that it still invokes a good deal of the police power; at the same time it gives parents the opportunity of free choice between public or private schools while forcing the public schools to compete with the private schools on equal terms. Dr. West's devotion to the freedom of parents is so great that he does not even approve of this degree of state intervention,2 and argues for the freedom even of poor parents to equate the marginal utility of education with that of alternative uses for their limited incomes. This view will seem to most Americans extremism in the defense of liberty, and the fear of sectarianism, religious rivalries, national subcultures, and anything which threatens to crystallize variety out of the uniform magma of the melting pot would probably even scare us away from the voucher scheme. Still, a nagging question remains, whether the melting pot has not melted far enough so that we can afford variety and the encouragement of subcultures of many kinds, which parents would even have a right to try to perpetuate. It may be that the miserable persecutions of the Amish which are going on in several states will cause a revulsion in favor of liberty of the parent—or it may produce a counter-revulsion against the intransigence of the Amish in refusing to be melted down.

One wonders also whether "free" public education, supported by a tax system which is as regressive as most state and local tax systems tend to be, is not really a device for subsidizing the education of the rich rather than that of the poor. The best answer to the problem may be to make the tax system more progressive; this, however, is hard to do politically, for it is the rich and the middle classes who are politically most active. It may be that the only practicable way to subsidize the education of the poor is to do it directly. For the state universities, for instance, this would mean full-cost pricing of education plus turning the existing state grants into a scholarship fund to provide scholarships according to need. This, too, however, seems politically unalluring. We still have a strong illusion that the best things in life are free, which makes it hard for us to be rational either about water, which we confuse with rain, or education, which we confuse with folklore.

These are all disconcerting questions to one raised in the tradition of 20th-century liberalism. I am grateful to Dr. West for having raised them in my own mind, and it will be a pity if the forensic tone of his work prevents these questions being raised in the minds of others.

KENNETH E. BOULDING*

² See West, Education and the State: A Study in Political Economy 206-08 (1965). But see id. at 66 & 219, approving some use of vouchers.

^{*} Professor of Economics, University of Michigan.