The Politics of Education and the Uneven Education Liberalization Process within the WTO

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Abstract
The General Agreement on Trade in Services (GATS) introduces complexity in the global governance of education scenario. Since this agreement was created in the framework of the WTO (1995), new non-conventional actors and extra-educative elements became involved in the regulation of education. The system of rules of the GATS pushes for a progressive liberalization of education all over the world. This paper aims to reveal the causal mechanisms of the education liberalization within the GATS and explores how local conditions are key elements to understand the uneven constitution of this global process. Our results show that globalization is not a top-down process and that global and local events are related in a dialectical way. More interestingly, we obtain new evidences to support the arguments of the Globally Structured Agenda for Education approach on the sectoral and scalar division of education regulation.

Introduction
The General Agreement on Trade in Services (GATS) is one of the main agreements of the World Trade Organization (WTO). The agreement covers twelve services sectors; education is one of them. Since this agreement was created, the global governance of education scenario has become more complex because a set of trade disciplines and rules affect education regulation activities.

The system of rules of the GATS pushes for the progressive liberalization of education all over the world. Nevertheless, if we observe the actual results of the GATS negotiations, it doesn’t seem that the ‘globalization project’ underlaying by the agreement is totally successful. Most of the countries decided to commit education during the Uruguay Round and, when they did it, they introduced numerous limitations and exceptions. Something similar is happening in the ongoing round of negotiations, the Doha Round.
The uneven evolution of the GATS raises several questions. Specifically, the question I try to answer in this paper is: why do countries decide to participate - or not to participate – in the new multilateral ‘free-trade in education regime’ through the adoption of liberalization commitments within the GATS? I will answer this question through an explanation based on mechanisms. In doing so, I aim to reveal the causal mechanisms of education liberalization within the GATS and to explore how the effectiveness of these mechanisms is contingent to certain contextual conditions. My framework of inquiry is inspired by the ‘Globally Structured Agenda for Education’ approach (GSAE).

The article is composed of four sections. First, I explain the GSAE’s core assumptions and the methodological challenges it introduces to analyze the relation between globalization and education policies. In the second section, I go through the structures that frame the liberalization process. Specifically, I refer to the WTO rules that affect more directly the services negotiations. In the third section, I talk about the preferences settlement of countries in GATS and education negotiations. I focus on their decisions on the area, as well as on the decision-making procedure. Finally, I explain the phenomenon analyzed by opening the black box of the negotiations. I argue that the key mechanisms to understand the education liberalization commitments of the countries are directly linked to the negotiation rationale. I will also highlight the conditions that mediate between the activation of the mechanisms and their outcomes.

My argument is based on intensive fieldwork involving international actors that directly participate in the negotiation subsystem of the GATS (trade negotiators in the WTO headquarters and WTO staff). The fieldwork has been more intensive in three countries (Argentina, Chile and Spain) where I have also interviewed Ministry of Trade representatives. I have done a total of 27 interviews to trade representatives and experts. Data were collected between June 2005 and December 2007.

The GSAE and the ‘politics of education’ turn
Since the nineties, ‘globalization’ is strongly present in the field of education sciences. But globalization is more than a new topic in the research agenda.
Taking globalization seriously means having to review the methodology we use, the analytical instruments and the core research questions (Bonal et al., 2007). One theoretical approach that seeks to face these challenges is the Globally Structured Agenda for Education approach (GSAE). The GSAE provides a coherent corpus of theoretical and methodological elements to capture the complex and multidimensional relation between globalization and education. Its main ontological assumption is that the world capitalist economy is the driving force of globalization and the first causal source of multiple transformations manifested in different policy areas – the education between them. Consequently, capitalism’s expansion and transformations directly and indirectly affect contemporary education systems, although its effects on education systems are also locally mediated (Dale, 2000).

Following this approach, one of the objectives of educational research should be to explain the link between the changes in the global economy and politics, and the changes in national educational policies and practices (Dale, 2000). This implies recognizing that education outcomes are not always related to educational inputs and procedures. In other words, the educational events - manifested in the education systems and regulations - are highly influenced by extra-educational events and processes. Consequently, the GSAE stresses the need to transcend ‘educationsim’ and to take into account the ‘politics of education’ level of analysis (Dale & Robertson, 2007).

The politics of education focus is still more necessary in a globalized environment where international organizations (IOs), both regional and global, are becoming more influential in the settlement of national education policies and agendas (Robertson & Dale, 2006). In this context, educational and extra-educational events that occur at different scales also affect education. So, the GSAE seeks to understand education problems and systems as embedded within a complex local, national and global political economy and rejects the notion that educational problems can be simply bracketed off from these broader phenomena (Novelli and Lopes Cardozo, 2008-forthcoming). The pluri-scalar conception of social phenomena permits a more accurate representation of its nature. In the global age, who controls what and at what scale has important implications for understanding power relations, decision taking procedures and the outcomes of these procedures. That is why the
GSAE recommends to analyse of the same phenomenon in more than one scale and to differentiate how the elements are presented and articulated in each of the relevant scales (Robertson et al., 2002). In one word, the scalar interaction and the scalar division of education governance become new variables that introduce complexity to education reality and, consequently, to education analysis.

**Focus on international organizations**

The increasing role of a broad range of IIOOs in education is a clear sign of the convenience of adopting a pluri-scalar approach to education governance analysis. But it also stresses the need to adopt an inter-sectorial approach. To a great extent, it is due to the fact that these organizations do not always treat education as a topic, they rather conceive education as a resource to deal with other topics. For instance, Jones (2007) stresses how UN organizations and agencies intersectorial conception of education clashes with the traditional sectoral focus of nation-states. This view implies that “education is less and less a free-standing, readily identifiable programme category, and is now more frequently blended in with generic economic and social policies” (pp. 334).

However, this type of contradiction is still more obvious in those economic-driven IOs whose core function is pushing for the world expansion of the neoliberal capitalist system. When prosecuting the achievement of this core objective, these IIOOs are affecting, more directly or indirectly, national education systems. The classic examples are the World Bank and the IMF, which impose educational policies, above all on Southern countries, through conditional loans. The fact is that these conditionalities are normally driven by non-education criteria, such as the control of public spending, managing inflation or the fight against poverty (Bonal, 2002, Mundy, 1998). Consequently, the education functions and aims are altered through the prosecution of extra-educational purposes. Since the nineties, the WTO has joined the group of trade and finance driven institutions with ‘education’ in its material scope of competences and, consequently, it becomes necessary to analyze this organization from the perspective of its inter-sectoriality.
Beyond structuralism

Despite being criticized as ‘too structuralist’ (Mundy, 2007), the GSAE has the explicit intention of identifying the specific mechanisms that, once activated, explain the globalization influences in national education policy. Specifically, Dale (1999) categorized a series of top-down mechanisms that are normally activated in the framework of international organizations and that, in the recent decades, have acquired more centrality than traditional mechanisms such as ‘policy borrowing’ and ‘policy learning’. These new mechanisms are imposition, harmonization, standardization, dissemination and installing interdependence.

On the other hand, external influences are not only consequence of a ‘global economy’ abstraction; they are also consequence of politics, interactions and power relations associated with education governance activities. Moreover, globalization is not conceived as a process without subjects. International organizations, transnational organizations and powerful states are key actors in shaping and driving this process (Robertson et al., 2002). Therefore, the education events are not only explained by structures or structural factors, they are rather explained by the causal mechanisms activated by these and other actors in different layers of structure. When referring to agency, the GSAE also recognizes that, in the current governance scenario, state actors do not have the monopoly over political action. Consequently, non-state actors are also political agents to consider in the models of analysis of the pluri-scalar governance of education.

Finally, the GSAE proponents reject the idea that globalization is an absolute project with identical effects in all places (Robertson & Dale, 2006). Although globalization presents common features around the world, the effects of globalization in education and in other fields are mediated by local / domestic factors and contingencies. Furthermore, the global scale – as well as any other scale – can be “contested, and transformed through a range of sociopolitical and discursive processes, strategies, and struggles (…) that take place at different scales engaging an array of actors and interests, for example, capital, national states, para-state organizations, labor unions, local social movements, and supranational organizations” (Robertson et al, 2002: 475-6).
Definition of the research problem from the GSAE

The creation of the GATS itself has been analyzed from this approach (see Robertson et al., 2003). The emergence of an international organization, such as the WTO, that promotes free trade at a global level and directly alters national education regulation, validates the GSAE’s main claim. Nevertheless, my research is centered on a narrower object. I analyze the GATS negotiations and the structuration process of the trade in education international regime promoted by the agreement. I don’t pretend to analyze ‘why the GATS exists’, what I exactly seek to understand is why the WTO member countries accept (or refuse) the GATS rules for their education systems.

Answering this causal question implies having to answer other questions with a more constitutive logic, such as: who influences and who takes the final decision of liberalizing – or not liberalizing - education in the framework of the WTO (education ministries, trade representatives, education stakeholders, etc.)? In which scale is this decision actually being taken (global or local)?

Education in the GATS/WTO system of rules

The incorporation of ‘education’ in the WTO system is peculiar because the WTO, in contrast to the World Bank and other international organizations, does not have a particular education vision or a specific education agenda. The WTO is basically concerned with the promotion of free trade of all kinds of goods and services at a planetary scale. Education is one item in a long list of assets that need to be open to trade. The WTO/GATS case clearly shows how global trade policies and politics may affect national education policies and regulations. The barriers to trade that GATS seeks to remove are embedded in the education regulation of the states. They are, for instance, taxes on the repatriation of the profits of education companies, stipulations as to what type of legal status educational centers must adopt, quality of educational services measures, subsidies to educational centers, etc. (Verger, 2008a).

The negotiations of trade in services are developed in the framework of
a strict system of rules that push for certain outcomes and drive towards possible and desirable results, as well as rule out those results that are unacceptable. The most important WTO rules for negotiating services are contained in the GATS and, specifically, in the “Progressive Liberalization” section of the agreement. In article XIX of this section it is established that:

“Members shall enter into successive rounds of negotiations, beginning not later than five years from the date of entry into force of the WTO Agreement and periodically thereafter, with a view to achieving a progressively higher level of liberalization. Such negotiations shall be directed to the reduction or elimination of the adverse effects on trade in services of measures as a means of providing effective market access”.

The article XXI (also included in the progressive liberalization section) establishes significant impediments for countries to break off the established liberalization commitments. When reading these articles it becomes clear that the rules of the game contained in the GATS are not only about trade, they are about the promotion of a specific system of international trade: free trade. Thus, the constitutive rules and principles of the WTO/GATS are the promotion of free trade at a global scale, and they present this specific trade system as the “natural kind of capitalism” that all the countries of the world have to embrace (Wade, 2005). There are other principles that theoretically orientate the role and content of the WTO, but none of them is so well fixed as the free-trade principle. In fact, this principle is stronger in the WTO than in the GATT 1947. The original GATT instituted a commercial regime of Keynesian embedded liberalism. But the WTO, which was created in a moment of neoliberal climax, clearly breaks the balance between the global liberalization objective and the capacity of states to deliver their legitimate social purpose (Ford, 2002, Ruggie, 1994). The fact that the WTO also covers traditional public services, such as health and education, may increase the social risks of the disembedded liberalism shift.

The methodology of the negotiation of services constitutes another important set of rules to understand the GATS outcomes. The specific methodology is not fixed in the GATS; member countries have to reach a consensus on this at the beginning of each negotiation round. In the two services rounds (Uruguay and Doha), the demand-offer method has been
adopted. This implies that each round is constituted by bargaining periods of demands and offers between countries. First, each country demands to other countries to open those services sectors they are interested in. After, the countries respond to these demands presenting lists of offers of the sectors they are prepared to liberalize. These lists are provisional and can be modified successively, depending on the evolution of the negotiations. The round concludes when all the member countries present their last and definitive list of offers. The lists inform about whether the countries decide to introduce liberalization commitments, in which services sectors they do it and at which level of intensity. Until now it is not compulsory to liberalize a minimum of services sectors or sub sectors at the end of the round – although the EU tried to change, unsuccessfully, this rule in the WTO ministerial conference celebrated in Hong Kong in 2005 as a way of accelerating the liberalization process.

On the other hand, it is important to stress that education and the other services sectors are not negotiated independently or one by one. They are negotiated in relation to all the topics covered by the negotiation round. To have an idea about the scope and dimension of the WTO agenda, the topics covered in the current Doha Round, as well as services, are: application issues, non-agriculture market access, norms, intellectual property, differences settlement, textiles, agriculture, investment, government procurement, trade facilitation, environment, electronic commerce, small economies, debt and finances, technology transfer, technical cooperation, less developed countries, special and differential treatment, subsidies, etc. (WTO, 2005). The method of negotiating all the topics at the same time and contingently is known, in trade language, as the “all unique method”. This implies that offers on one topic are conditioned to the average “level of ambition” of the round.

Another important set of rules I want to highlight is not contained in the GATS itself, but can also affect the services outcomes. I refer to the WTO accession rules, the dispute settlement system and the trade policy exams. The \textit{WTO accession rules}, in contrast to the rules mentioned above, only affect the new members of the organization. These rules force those countries that want to become WTO members to apply deep liberalization packages in
services as well as in other sectors of their economy (Verger, 2008b). The Dispute Settlement System is very powerful and effective (WTO, 2004). It does not force members to establish liberalization commitments, but can contribute to the reinterpretation of the existing commitments to broaden their scope - as has happened to the USA in relation to the gambling services case (Gould, 2004). Last, but not least, the Trade Policy Reviews are also another important WTO source of influence. All member countries are submitted periodically to a review of their trade policies in all areas, including services. The evaluation criteria is, again, oriented by free and open trade, as well as by the predictability and guarantees for foreign providers and exporters. These tests could condition the behaviour of those member countries that aspire to get a good mark in the exam or, at least, to avoid being publicly denigrated (Henderson, 1998).

The education liberalization: decisions and procedures

Until now, most of the WTO members have made use of the flexibility principle of the services negotiations and have not committed education within the GATS. Specifically, only 47 member countries have done it.¹ In the Doha Round the state of art could change because several countries are planning to commit education. Specifically, seven countries are offering education for the first time, and eight countries are ‘improving’ the commitments in education made in previous negotiations.²

As the analysis of the WTO rules show, member countries are encouraged to establish liberalization commitments in education (and other services sectors), but they are not normally forced to do it (the new member countries would be the exception). So, it cannot be neglected that the states have enough leeway to decide whether or not they want to open their education sector in the framework of the WTO. However, the procedure of the decision taking must be also problematized because the procedure itself is a

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¹ This is not a common pattern for all services sectors. For instance, tourist services have been liberalized by 129 members and finance services by 109 (Verger, 2008). In these figures, we include the EU as a single member – that is, the member countries are not included separately. On occasions, the WTO service database deals with the EU-12 and the EU-15 separately.
² See the ‘WTO on-line documents database’: http://www.wto.org/wto/ddf/ep/search.html
variable that can alter the results of the negotiations. That is why in the following lines I will explore the politics and the actors that, beyond “the state”, drive and conduct the decision making process in the framework of this organization.

First, it must be pointed out that only a specific faction of the state represents the state within the WTO. Specifically, the WTO state representatives are linked to the Ministries of Trade, Economy and/or Foreign Affairs. This has important implications because, despite there is a political control of the principal decisions (in most of the countries, changes in the WTO agreements are ratified by the national parliaments), how the decisions are framed and by whom can alter the final result. So, the full procedure is being coordinated by a specific state faction that controls the data and knowledge on the policy issue (which is specially important in relation to such a complex issue as the GATS) and the information related to the negotiations (for instance, other actors preferences and demands). They also have the skills, the knowledge and the resources to conduct the negotiations to positions they are more comfortable with. Thus, they can hide or show with more emphasis certain information and can manipulate the preferences of the state regulators and private stakeholders. For instance, in relation to the education sector, trade representatives usually emphasise the opportunities of education liberalization and minimize the risks. In fact, most of the trade negotiators interviewed believe in the goodness of education liberalization within the GATS.

“There is a clear consensus on the fact that the education in my country is bad, and we have to look the way of improving it. This means having to bring teachers from abroad [...]. The GATS could increase the competence, and that is indispensable” (Trade negotiator 04, Geneva, 2006).

On the other hand, officially, the trade ministries do not define the preferences of the country autonomously. In the case of the GATS negotiations, they are supposed to consult the stakeholders and regulators of each services sector at the national level. It must be said that it represents a tedious task because, if the procedure is rigorously done, a huge amount of sectorial meetings must be coordinated and very different demands and inputs should be processed.
The GATS covers twelve broad services sectors, and each sector represents a field where official regulators, private providers, interest groups, trade unions, quality assurance agencies and so on interact. Those actors can expose totally contradictory demands in relation to the GATS. These contradictions can be inter-sectorial, but they also emerge within the sectors. For instance, in relation to the education sector, the education ministry may be interested in opening education to trade for attracting foreign investment and expertise to the higher education system, and the association of private universities may oppose it to avoid having to compete with new foreign private providers.

Nevertheless, this consultation process is usually done taking ‘shortcuts’, normally because the trade negotiators do not have enough time or human resources to develop a deep process in relation to all the sectors and actors.

“[Negotiate services] is just horrible. Our team is very small and we have to participate in a lot of meetings. So, it is not easy […] Everybody expects you know everything; when I attend a meeting of computing services I am supposed to understand everything and that is impossible […] Most of the countries have to do more internal work because we are not doing it fine […] And the world of services is so complex than nobody understands anything, nobody… In Chile there are only ten people that really know what services negotiations are about” (Trade negotiator 17, Santiago, 2006).

Consequently, the consultation process cannot be as complete as it was supposed to be. However, the lack of resources is not the only reason of the partiality of the consultation processes. On occasions, the process doesn’t integrate all the interested parts because of political bias and preferences. As a result, some actors are ‘more consulted’ than others. In fact, trade negotiators normally avoid consulting trade unions representatives and have a more fluent relation with the employers and the national industry representatives. This was a common pattern in almost all the interviewed countries.

Another common shortcut is related to the type of consultation that is done. There are basically two types of consultations. The stakeholders can be asked if they want their sector to be opened (or more opened) to trade within the GATS. That would be a strong consultation because the stakeholders
would have the opportunity to deal with the key element to define the country preferences. However, they can also be asked ‘how they would adjust some technical aspects to the trade liberalization of the sector’. In this case, the main decision (opening the sector to international trade) has already been taken by the trade ministry. Therefore, the type of consultation would be soft and, consequently, the level of delegation on the stakeholders very low. In other words, the final decision and the preferences definition can be more centralized in the trade ministry, or it can be more delegated to the interested parts. Our empirical work shows that both models are actually present in reality, but the centralized model (at least in relation to the education sector) is the most common. This implies that education ministries and other education stakeholders are not key actors when defining the country position in the negotiations.

To sum up, one of the consequences of this ‘partial internationalization of the State’ within international organizations is that the activity of the localized ministries (i.e., those state sections that do not participate directly in the international forum that, in our case, would be the education ministry) remains subordinated to supra-national agreements that are not directly controlled by them (Cox, 1995). In fact, it is not a coincidence that the most important and powerful IIOOs are integrated by the ministries of economy, industry or trade (Stiglitz, 2002).

The red line over education: evidence from country cases

Once the country preferences have been established at the national level, the trade ministry sends the negotiation guidelines to the country trade representatives at the WTO. This mandate can be strict and defined or more lax. In the latter case, the mandate is more open to the interpretation and subjectivity of the trade negotiator. However, there are sectors where the countries draw a clear red-line and, in consequence, trade negotiators know

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3 The Less Developed Countries represent an exception to this pluri-scalar negotiation procedure. This is due to the fact that LDCs concentrate their few skilled human resources in the WTO headquarters. These negotiators do not receive clear and strong national mandates and the connections and level of coordination with the national trade ministry is usually low. In consequence, they have more autonomy to define the preferences and destiny of their country within the WTO negotiations than other countries negotiators (Curzon & Curzon, 1972).
for sure that they cannot offer this sector during the negotiations. In fact, some countries such as Argentina, Brazil and Venezuela have drawn a clear red line over education during the Doha Round. As the trade representative of one of these countries stated:

“We received the plurilateral demand on education coordinated by New Zealand [in 2006], but we received the instruction from the capital [Ministry of Trade of the country] that we should not even attend the meeting. It is a topic absolutely vetoed for us” (Trade negotiator 02, Geneva, 2006).

It must be pointed out that the decision of not committing education in Argentina, Brazil and Venezuela is contingent on domestic political conditions. The first common pattern of these countries is that they have governments with a social-democratic and economic-nationalist ideology. Second, the governments have been receptive to the demands of anti-GATS education stakeholders (normally, public universities and teacher unions). And third, in these countries, the education ministry has intervened in the negotiations process and has had the capacity to act as a veto player. In fact, in all the mentioned countries, the ministry of education has publicly stated that education cannot be committed in trade agreements. For instance, the ministries of education from Brazil and Argentina, after an anti-GATS campaign initiated by the biggest teacher trade unions of these countries, have signed public declarations, such as La Declaración de Brasilia and La Declaración de Montevideo, where a red line is clearly fixed in the education sector within the GATS. In the Montevideo Declaration it is stated that:

“[The education ministries] reaffirm, in the framework of the WTO services negotiations, the position that education is a public good (...) and underline the importance of protecting the State competences in education regulation, which would be drastically limited in case our governments assume liberalization commitments in this sector”4.

It must be pointed out that, at times, the education ministry veto has generated internal conflicts within the State, as I could observe in the Argentinean case. The trade representatives of this country, after receiving the pluri-lateral demand on education in 2006, consulted the education

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ministry representatives to ask if they would be willing to open education to trade. They responded that it was absolutely impossible to do it because the education minister had publicly declared in the mentioned declarations that he totally rejected the introduction of education in the material scope of free trade agreements. The Argentinean trade negotiator, who was interested in having the chance of being able to open education during the negotiations, was very disappointed with the answer. So, he warned the education representative that the Trade Minister in person would 'solve this problem with the Education Minister at the political level' (Trade negotiator 16, Buenos Aires, 2006). In the end, the position of the Ministry of Education prevailed.

To sum up, the complexity of the GATS negotiation procedure shows the state, and the statehood, as a field made up of different units that can have different agendas and priorities that overlap (Jessop, 1990). So, only certain factions of the state succeed when imposing their agenda in international organizations. This would explain, for instance, why there are contradictions between the content of international agreements such as the GATS (negotiated by Trade Ministers) and the UNESCO Convention on Cultural Diversity (conducted by Education and Culture Ministers), although both agreements have been signed, to a great extent, by the same states.

Explaining GATS and education outcomes through the negotiation rationale
The WTO rules and the political procedures to negotiate services are key elements to understand the education trade liberalization within the GATS, but there are still some missing pieces and mediating elements to understand the process and its results in its complexity. Beyond rules and procedures, politics are also made by interests and ideas. Both interests and ideas refer to human action and to social structures and, as I will argue, they are important components of the mechanisms that can explain the results of the GATS negotiations.

The external mechanisms of influence and the WTO
Most of the top-down mechanisms categorized by Dale (imposition, harmonization, standardization, dissemination, etc.) are being activated in the
framework of the WTO. Nevertheless, none of these mechanisms by its own – neither the sum of several of them - is enough to have a complete understanding of the education liberalization subscribed by the countries within the WTO/GATS.

First, as we have seen, education liberalization commitments are not imposed. The imposition mechanism is only activated in relation to the new members and in the specific moment of its entry. However, in the majority of cases the commitments are voluntarily adopted by member countries. Members can also use the Dispute Settlement Rules to impose a behavior to other countries, but it has never been activated in relation to the education sector.

Second, harmonization could be considered a more proper mechanism because the WTO rules encourage progressive trade liberalization, and member countries formally accepted this harmonization framework when they signed the GATS. Nevertheless, this process is not advancing smoothly because an important number of member countries are rejecting the establishment of liberalization commitments.

Third, the standardization mechanism will become more central when the domestic regulation negotiations finish - see (Abugattas, 2006)-, but currently it is not so directly linked to the liberalization negotiations. Finally, the dissemination mechanism is being activated within the WTO to promote the education sector liberalization. The WTO is very active when disseminating the free trade principle through different instruments (trade policy reviews, publications, courses, technical assistance and so on), but these instruments are not specifically applied to the education sector. Within all the WTO staff, there is only one person – an international lawyer – dedicated to education, and the WTO Secretariat has published only two papers on education since it was created. But this is the normal consequence of the fact that, as mentioned, the WTO does not have an explicit ‘education agenda’ or an ‘education vision’.

The negotiation rationale
Beyond top-down mechanisms, the key mechanism to understand the results of the GATS negotiations in the education field is embedded in the dominant
negotiation rationale at the WTO. Education and social scientists have tried to find out the ‘education rationale’ behind education liberalization under the GATS. Several authors argue that some countries – such as China and Malaysia - facilitate the trade of education flows within their territory to attract expertise and knowledge from abroad. Therefore, they would use the GATS and other trade forums to strengthen this capacity building process (Larsen et al., 2004, Zhang, 2003). Knight (2002) explores the educational arguments in the legitimating discourse of those countries that promote education liberalization under the GATS and adopt a clear offensive approach during the negotiations (such as New Zealand, Australia and the USA). In turn, Mundy & Iga (2003) believe that there is a link between the education funding policies of countries and education liberalization within the GATS. In previous works, I have tried to explain the same phenomena through a constructivist approach and I have analyzed the discourses and official positions on education of the countries in the framework of the WTO negotiations (Verger, 2008a).

Nevertheless, what I want to highlight here is that several authors have tried to identify education rationales in the countries’ trade policy for education and that, when doing it, some of the explanations and hypothesis have been rather forced. Probably, this is due to the fact that we have taken for granted that there is a causal relationship between the GATS outcomes and the education necessities, worries or strategies of the countries. Instead of assuming that, the preliminary research question should be: is there an ‘education-oriented rationale’ in the GATS negotiations?

There are some clues that indicate that “education” is not the key topic behind the decisions of opening education in the GATS framework. First, a statistical analysis of the liberalization factors shows that certain characteristics of education systems (such as the size of the private sector, subsidies to private centers or the private funding of education) are not statistically related (at least in a way that can be globally extrapolated) with the results of GATS negotiations (Verger, 2008b). Second, higher education is the education sub sector where trade flows are bigger and where trade liberalization pressures and demands are more intense. Nevertheless, these pressures have not been reflected, until now, in a higher frequency of liberalization commitments (Verger, 2008-forthcoming).
On the other hand, the data I gathered by interviewing trade negotiators show that, to some extent, the topic of education has a very low profile in the discourse of the actors that are conducting the services negotiations. When asked about the topic, trade negotiators deal with education issues, but not in a systematic way. In general, the negotiators do not know the details of the passionate debate on GATS and education initiated by the international education community. They never refer to education sources when talking about the topic and they are not aware of the multiple statements or education forums where the implications of GATS for education have been debated. Negotiators have their own opinions on the area, which, as mentioned, normally emphasizes the potential positive effects of GATS for education. In fact, it seems that they apply to education the same meaning frames that they would apply to the analysis of any other commodity. Nevertheless, these opinions are not normally built on an official position adopted by the country they are representing. The data retrieved also shows that, within the WTO forum, a shared narrative on the aims and conditions that make necessary an international trade in education regime is absolutely absent. In brief, it is doubtful that the education arguments are the driving rationale of the decision to liberalize or not education under the GATS.

There are only a few exceptions. As I mentioned before some countries have adopted the official position of not committing education because of explicit worries over the GATS effects on education. This cautious approach to the negotiation of education liberalization was more common in the Uruguay Round. In this round, the services issue was very new and generated uncertainties that clearly conditioned the behavior of the countries, above all between Southern countries. This would explain why, during the Uruguay Round, the great majority of developing countries did not commit sensitive sectors such as education:

“In that moment the ignorance on services was so high that we just did what other countries did. If the developed countries did not commit education and health, we would not be so ingenious to do it. Our starting point was the offers of developed countries and, from this point, we started to take out things... We did it because of prejudice and without any fundament. Also to leave negotiation spaces for the future [...] in that moment we were very cautious” (Trade negotiator 18, Santiago, 2006).
Nevertheless, in the Doha Round, the cautious approach is less relevant and most of the countries would be willing to offer education depending on the level of ambition acquired by the negotiations. It is due to the fact that, in the framework of a multilateral negotiation, the clear objective of trade representatives is to consolidate or to open new markets to favor the exportation activity of their national industry. If to achieve this objective, they have to make some “concessions” in certain sectors (opening them to trade) they would do that because it is assumed that the negotiation entails a sort of exchange. However, this negotiation rationale drastically contradicts the free trade principle that appears to be in the core of the WTO system of rules. The liberal theory of trade sustains that opening national markets to international competition is not only positive for foreign exporters, it is also positive for the importer because this will optimize utilities and contribute to a more efficient and competitive national industry and consumption markets. Nevertheless, instead of really applying the free trade theory, it seems that the negotiators are rather swapping stickers to fulfill the interests of the bigger exporters of their country. One negotiator admitted: “We are not going to make presents for free. When you go to the market to buy potatoes you need five pesos, but with this money you have to try to buy a five kilos bag, not the one-kilo bag... We are on it” (Trade negotiator 15, Buenos Aires, 2006). Another of the negotiators interviewed, who was one of the few free-trade believers I found, was really disappointed with this dominant attitude in the WTO:

“In the WTO context, there are a lot of things that are irrational. The basic premise of the system is that free trade is good, that Smith and Ricardo were right. That is the essence. However, the negotiation process is inverted. First, we talk about liberalizing the economy as a ‘concession’, as a cost, when actually it is a benefit. There, it is like a game. A lot of countries, above all the developing countries don’t understand the basic premise of free trade and the rules of the game (...). [In the negotiations] there is an ideology deeply wrong, because there is too much academic literature in one sense. The recent history demonstrates that the free trade premise is right, that it works... If we organize an open discussion, it is clear which the argument that is going to win is. However, it doesn’t happen” (Trade negotiator 12, Geneva, 2006)

This contradiction between the WTO norms and the actual facts was very well captured by Krugman when stated that:
“Anyone who has tried to make sense of international trade negotiations eventually realizes that they can only be understood by realizing that they are a game scored according to mercantilist rules, in which an increase in exports—no matter how expensive to produce in terms of other opportunities foregone—is a victory, and an increase in imports—no matter how many resources it releases for other uses—is a defeat” (Krugman, 1997: 114).

So, the mercantilist ideology is the key master frame of the actual WTO negotiations. Interestingly, mercantilism constitutes an informal set of rules that casts a shadow over the formal WTO rules and that has become a much more efficient source of influence than the official rules. This has direct implications for education because the mercantilist ideology entails that education can be treated as one bargaining chip more in the framework of the “all unique” negotiation procedure at the WTO. It means that most of countries would offer education in case that it can be exchanged by liberalization commitments in other areas (such agriculture, cotton or textile) where they have offensive interests. As the negotiator of a developing country recognized:

“We always perceive services as a bargaining chip; we could make concessions if we get something back. That is our basic logic for negotiating services. The premise that “liberalization is good” doesn’t work with us. We do not believe in this doctrine, in fact, this discourse sets my nerves on edge. Here, nobody believes it, neither their preachers believe it [referring here to the WTO staff]...” (Trade negotiator 01, Geneva, 2006).

**Analytical remarks**

Member countries action is not mainly guided by the identities, principles and rules represented by the WTO. If their action was driven by the logic of appropriateness, the analyzed phenomenon would respond to a linear and top-down model (see figure 1). In the figure 1 we observe that the WTO rules, located at the global level, are the principal factor that conditions the GATS results in the education field. The expected result would be countries committing education. Once the round finishes, these commitments become a part of the international trade in education regime. This new regime, when a new round of education begins, will act as an autonomous source of influence that would contribute to the harmonization of the liberalization process.
Nevertheless, the actual picture in the WTO is much more complex (see figure 2). First, several mechanisms and rationales are activated at the same time and in a contradictory way: harmonization, the cautious approach and the conception of education as a bargaining chip. I have stressed that the latter has become the key rationale during the Doha Round. Nevertheless, its effectiveness is contingent on exogenous factors and conditions. One of these conditions consists in the level of ambition of the negotiations round. It means that, for instance, if the northern countries are not willing to remove export subsidies and other trade barriers to agriculture, the agriculture exporter countries will not use education as a bargaining chip; they will choose to protect this and other sectors to have more bargaining power in future negotiations. The other identified factors have rather a domestic scope. They are: a) the level of centralization of the decision within the ministry of trade; b) the ideology of the government of the country; c) the role played by education stakeholders in the settlement process. Some of the country cases analyzed show that in a context with a social democrat and/or economic nationalistic government, with civil society campaigning against GATS and with a low level of centralization of the final decision in the Trade Ministry, education will not be committed. In one word, these three factors clearly favor the rejection of education commitments within the GATS and difficult the activation of the mechanism of education as a bargaining chip.
Conclusions
The decision taking processes within the WTO are framed by various endogenous and exogenous factors. In this work, the elements that affect the education liberalization decisions have been ordered in a pluri-scalar analytical model. The final model distinguishes the structures from the events, and places the emphasis in the explanatory power of intermediate elements. These elements, which are located between the structures and the events, refer to interests, ideas and mechanisms activated by human agency within the politics of the services negotiations.

The fact that education is being altered by the decisions that are taken in a trade forum is a clear example of how economic globalization is a causal source of important transformations in current education systems. Nevertheless, the “demands of capital” are not the unique explanatory variable of the WTO negotiations results. Indeed, the WTO system of rules, far from being neutral, tries to drive the behavior of member countries to the application of free trade policies in education and all other sectors. These rules are powerful, but not absolute and its effects in national education policies are not always direct. In fact, in the current negotiations round, the Doha Round, the WTO rules are clearly mediated by the mercantilist ideology that predominates in the negotiation process. After penetrating the black-box of the negotiations, I have deduced that member countries are basically pushing to maximize their individual and conflicting interests (or, better said, the interests of their national export industry). So, most countries will liberalize education if this permits them to achieve their trade agenda and main objectives within the negotiations process. This...
bargaining chip mechanism is a clear sign that, as the GSAE states, extra-education factors and rationales affect the content of national educational policies and regulations.

On the other hand, the WTO services negotiations do not only reflect the conflicting interests between the member countries. On occasions, the negotiation procedure, which requires new pluri-scalar patterns of political coordination, generates tensions and conflict of interests within the state. This reinforces the idea that the state, rather than being a ‘rational subject’ or a ‘static unit’, is a field of struggles with internal contradictions. The state faction that is present at the WTO, although representing the state as a whole, is directly linked to the ministry of trade. Consequently, the country preferences are framed from a particular world view, as well as from specific prerogatives and rationales. Other factions of the state, in our case the education ministries, do not necessarily agree with the views and preferences of the trade representatives. The Trade Ministry has the main control over the negotiations. Nevertheless, its effectiveness is contingent on the level of participation and empowerment of the education ministry and other education stakeholders. In fact, as reflected in the Brazilian and Argentinean cases, non-state actors, despite not having decision-making powers, are capable of influencing the preferences of their governments in the GATS and education negotiations.

The results also show that the local and the global do not represent a duality. The global and the local scales, actors and events are interlinked and related in a dialectical way. Consequently, scales cannot be understood as rigid geographical levels; they are rather dynamic and constructed. Moreover, the global and the local do not necessarily represent a hierarchy or a top-down relation. In the analyzed case, the WTO imposes certain decisions on countries or activates the harmonization of certain policies; the preferences shaping and agenda settlement is also normally realized at the global level. Nevertheless, domestic state and non-state actors can also challenge these external influences and, consequently, transform the global space. This is the case of the GATS negotiations, where, under certain conditions, the
state/society complexes at the local level can successfully challenge the constitution of the global trade in education regime promoted by the WTO.

References


