

STRONGHOLD OF COERCION

THE FACTOR, both in Britain and America, that has done more than anything else to diminish the differences between the major political parties, is the advocacy of increasing expenditure on government welfare services.

Collectivism in Britain having triumphed in health, in pensions, and in welfare generally, paternalistic social reformers are now able to devote their energies to stamping out the last vestiges of private enterprise in education — the independent schools. The greater part of schooling, and the universities, having already fallen victim to the state, intense pressure is being exerted to secure the total “nationalisation” of education.

In a new book published by the IEA, Dr. E. G. West, Reader-designate in Economics at the University of Kent, challenges some of the strongly-held views on this explosive topic.

One of the assumptions Dr. West shatters, is the one that before there was state education there was virtually no education. On the contrary, he says, when the Government made its debut in education in 1833, mainly in the role of a subsidiser, “it jumped into the saddle of a horse that was already galloping;” 93 per cent of school leavers were already literate when the 1870 board schools first began to operate.

As a broad generalisation, one could say that the greatest thinkers in history have been largely privately educated. In the last century, men like Herbert Spencer, John Stuart Mill, and Henry George had but the minimum of formal education, but far from being a handicap, this probably contributed largely to their success.

Dr. West makes a similar point: “The Robbins Committee attempts to make the process of invention and the capacity for leadership look as though they are largely university or college inspired. However, in reality invention is a sporadic phenomenon... it is ingenious to picture it exclusively in the form of an army of Ph.Ds. ... As much as two-thirds of education that leads to increase in income-earning power is acquired not in colleges or schools but by experience or instruction within the factory or office. ...”

“One would like to know how the Robbins Committee would allocate the credit for the most striking of all English industrial advances in the late eighteenth century, which occurred despite the complete indifference of English universities and the entire absence of state education.”

There are innumerable pressure groups for coercion but none (with any power) for freedom. Dr. West points out that the Robbins and Newsom reports, being produced by professional educationists, though sincere, cannot be said to be impartial, their widespread acclaim by fellow members of the profession gives the illusion of public support.

Dr. West proposes that state schools should have to

**Education and the State* by E. G. West. Institute of Economic Affairs Ltd., 40s.

PATERNALISM QUESTIONED

by Paul Knight

compete both with each other and with private schools. Zoning should be abolished, and the money at present spent on education should be returned to parents in the form of vouchers encashable at any recognised school. This would give the parent wide choice and would act powerfully to raise the standard of education. Parents would be free, of course, to make payments over and above the value of their vouchers, and the likelihood is that an awakened interest in their children's education would encourage them to do so.

From the point of view of individual liberty, one cannot stress too strongly the dangers of a state monopoly of education. This is the way of totalitarianism. Freedom of thought and of action can never flourish under imposed uniformity. Fortunately, there is, it seems, an unquenchable spark of liberty inherent in every individual which not even a lifetime of slavery or half a century of state-enforced communism can diminish. Given the chance, it is certain that people would jump at the opportunity for choice in education. The only question is, with the present trend of political policies, are they ever likely to get it?

MARKET RESEARCH FOR WELFARE SERVICES

A NATIONAL SURVEY to measure the demand for private education, health and pensions was carried out recently by Mass-Observation Ltd. for the Institute of Economic Affairs.* and they discovered that a substantial body of opinion in all social classes, age groups and political sympathies is inclined to favour policies for welfare that differ sharply from those taken for granted by politicians and other students of public affairs.

It may appear that the number of people using state welfare services provides an indication of consumer satisfaction with them. For example, we know that nine out of ten children are educated at state schools. But the choice is strongly weighed in favour of state education because it is financed from taxes and rates without direct charge to parents, while parents who prefer private education are not refunded any of the taxes or rates they have paid towards “free” education. Much the same applies to the NHS, the basic pension and other state services. The use of a state service is, therefore, no indication of a preference against the private alternative.

**Choice in Welfare 1965* by Ralph Harris and Arthur Seldon. Institute of Economic Affairs Ltd., 5 gns.

Regarding individual preferences in health services the following information was obtained:

— 18 per cent of families belonged to BUPA- or HSA-type insurance schemes.

— 30 per cent of the remainder would take a £5 or £7 voucher towards private insurance costing £10 in place of 'free' NHS.

Thus one may conclude that two-fifths or perhaps one half our national sample in 1965 might favour private services if the scale of costs were not loaded so heavily on the side of the "free" NHS.

Regarding preferences in education :

— 17 per cent of families with children had all or some at fee-paying schools.

— 46 per cent of parents using state schools gave "financial" reasons for doing so.

— 30 per cent of parents using state schools would accept a £50 or £100 voucher towards private education costing £150, in place of "free" state schools.

Thus if the voucher value were higher or the added cost of private education lower, the demand might be nearer 40 per cent.

Regarding pensions, although vouchers could not be offered for this aspect of welfare, it was found that :

— 46 per cent of the total sample have private insurance for retirement.

— 61 per cent of employed men in the sample qualify for occupational pension.

— 71 per cent of the total sample have other savings to fall back on in old age (38 per cent houses, 20 per cent bank accounts, 5 per cent stocks and shares, 3 per cent unit trusts.)

To test the widespread assumption that changes in present welfare policies are "politically impossible," questioners were asked to choose (for each of the three main welfare services) between three broad policies :

(a) more taxes for better services for everyone

(b) less taxes for services for people in need

(c) allow individuals to contract out of state services.

That between only one-third (in health and pensions) and two-fifths (in education) favoured the present emphasis of policy on state universalism amply confirms the reliability of earlier findings that half or more want a choice outside the state services and would opt for private services if the choice could be made on broadly comparable terms.

The authors examine some implications of the findings. On the consensus, they say : "A 'consensus' on welfare policy in favour of state welfare (or private welfare) would be a bar to progress : the only consensus that

would make for technical efficiency, humanity, personal freedom and more welfare *in toto* would be one that created an institutional framework within which there was room for variety, flexibility, and experimentation by state and private suppliers."

On international comparisons :

"To argue that, because British national income is larger than that of other countries, we should spend more than they do on compulsory, standardised, state welfare is to leap a million miles in logic. A more rational conclusion, supported by the evidence of our survey, would seem to be that insofar as rising national income indicates rising personal incomes and interest in private provision, the need for compulsory purchase of welfare through the state diminishes. A recent example of this question-begging argument was provided by the National Institute of Economic and Social Research."

On misplaced humanitarianism :

"But as we have seen the existence of a so-called 'price-barrier' is not a sufficient argument either for a free medical service or for a state monopoly — any more than the 'price barrier' to eating requires the state to take over basic food supplies and provide them without direct charge out of taxation. Primary poverty is an argument for redistributing income ; and secondary poverty is an argument for information or enforcement of standards (as with compulsory third-party car insurance). Neither requires a universal 'free' NHS."