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THE LIMITS OF POSSIBILITY:
A critical review of C.Crouch, D.Finegold and M.Sako (1999) *Are Skills The Answer? The Political Economy of Skill Creation in Advanced Industrial Societies*

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Editor's Foreword

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Abstract

The paper presents a critical review of Crouch et al.'s *Are Skills The Answer?* Whilst recognising the book's strengths, attention is drawn to certain problems with its theoretical analysis, including the definition, use and measurement of skill, and a failure to adequately theorise the state, the role of management and the nature of workplace relations. Issue is also taken with what are felt to be the weaknesses of the authors' policy recommendations for a viable high skill strategy. It is argued that the book is symptomatic of a wider tendency in the academic community to confine analysis within the narrow parameters fashioned by policy makers. The paper concludes by calling for a more radical high skill strategy and highlights the need for further research to develop a more convincing political economy of skill.

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Introduction

In the 1990s an almost universal policy consensus emerged across the advanced capitalist world stressing the pursuit of a high-skill, knowledge-based economy and learning society (see Ashton and Green 1996; Green 1999). Everywhere we look governments and management gurus alike are in broad agreement as to the key role that skills, knowledge, education, training and learning now have to play in securing national economic prosperity, social cohesion and individual well-being. At the heart of this conviction rests the belief that in a 'globalized' world of intensifying competition and rapid technological transformation, only a comprehensively skilled and educated workforce can provide entry to the high-value-added product markets upon which the maintenance and advancement of living standards is now seen to depend (Reich 1992; Thurow 1994). 'Skills' and their formation are frequently proclaimed as nothing less than *the answer* to a whole host of economic and social problems ranging from competitiveness, productivity, and economic growth to unemployment and social exclusion.

If policy makers have been humming what is now an all too familiar tune, some academics have added a note of discord to proceedings (see, for example, Ashton and Green 1996). Not everyone agrees that skills can provide the solution to such a vast array of social and economic problems. Those trying to get to grips with the UK's 'low skill, low quality equilibrium' (Finegold and Soskice 1988) have found little encouragement in a myopic policy agenda (see DTI 1994; DfEE 1996, 1998) that has focused almost obsessively on trying to ratchet-up the supply of skills whilst remaining seemingly oblivious to the low skill demands of many employers. For some commentators, a well-educated and well-trained workforce is only one necessary ingredient in a whole matrix of social, economic and infrastructural changes that would be required to shift firms' product strategies, work organisation and personnel management systems in a direction consistent with a high-skills, high-value-added vision (Keep and Mayhew 1999). For others, the doctrine of 'economic salvation though education and training' merely serves to draw an ideological veil across more fundamental problems confronting the UK economy (see Cutler 1992; Avis *et al.* 1996; Hutton 1995; Coates 2000).

Beyond some general first principles and starting points, it remains the case that few have attempted to spell out in any precise detail what shape a viable 'high skills strategy' would take, and the kind of practical policy measures that might figure

within it (see Keep and Mayhew 1999; Ashton and Green 1996). While this is a tall order in itself, the task has been further compounded by the 'limitations of the mainstream policy debate', the terms of which have become 'too narrow to permit realistic radical policies to emerge' (Ashton and Green 1996:178-179). One thing is certain, if the research community is to advance the current policy debate, it will, to borrow Schon's metaphor (1987), have to leave the policy 'high ground' of easy questions and easy answers for the 'swampy lowland' where the problems defy simplistic solutions and are much more messy and difficult to handle. As Keep and Mayhew (1999:14) have argued, the challenge for academics is to at least try to 'evolve a better class of question'.

The publication of the book *Are Skills the Answer?* promises to do just that. Its three authors are respected authorities in their chosen academic fields. Colin Crouch has established an international reputation for critical scholarship in the study of industrial relations, corporatist institutions and state traditions. David Finegold, in conjunction with David Soskice, popularised the 'low skill/high skill equilibrium' thesis in the late 1980s, and has written extensively on vocational education and training (VET). Mari Sako has produced some excellent work on inter-firm networks and supplier relationships in the UK, Japan and US contexts. Given the stature of its authors and the breadth of their scholarship, the arrival of such a book inevitably carries on its shoulders high expectations of the kind of much needed cross-disciplinary work that might inch forward the current debate around 'skill' and 'the learning society'.

The book itself is a comparative study of the skill formation institutions of seven advanced industrial economies, namely the UK, USA, Japan, France, Germany, Sweden, and Italy. According to the preface, the authors' explicit intention is to contribute towards two broad areas of current debate. First, they seek to use a comparative analysis of national skill formation institutions as a lens through which to explore the 'the diversity of institutional forms taken by modern capitalism, and the difficulties currently surrounding the survival of that diversity' (p.vii). Second, the book focuses on 'vocational education and training (VET) in its own right' in order to highlight what they see as 'certain problematic aspects of relying *too heavily* on improvements in *the supply of skills* to solve economic and social problems' (p.vii, emphasis added).

The opening chapter, 'The Dispiriting Search for the Learning Society', sketches some of the dilemmas and contradictions embedded within the current policy consensus as it plays out against the broader context of alternative models of capitalism and the labour market, notably Anglo-US neo-liberalism and the more regulatory/corporatist approaches existing across Europe. Chapter 2 is concerned with the question of unemployment and whether either de-regulatory or skill creation polices hold the answer. Chapter 3 explores the relationship between skills and economic performance by asking whether a stock of high level skills might allow countries to compete more effectively in world trade. Chapters 4 through to 7 look at the issue of skill creation with respect to the roles played by the state, corporatist business associations, inter-firm networks and finally the individual firm. Chapter 8 draws the analysis together by way of conclusion and outlines various practical steps policy makers might take in pursuit of an advanced skills policy.

While the book seeks to critique existing policy 'utopias' surrounding 'the learning society', the authors' explicit purpose is not simply to sling mud from the academic touchlines. Broadly, they 'accept the main arguments of the consensus' (p.5) and 'the necessity of a high skills strategy' (p.249), given what they take to be the implications of global competition. As such they assert the necessity of engaging with national policy makers, and want to 'draw attention to the points where reform is needed and identify possible paths forward and needs for progress in a number of areas' (p.viii). In terms of its scope, focus and ambition, the book seemed at first sight to offer exactly what the current debate cries out for: an opportunity to advance the existing policy debate on how we might move towards a high-skills, learning society. However, on reading the book we feel the authors have missed an important opportunity to advance the debate.

Our starting position is an agreement with the authors on a number of underlying strands to their approach. The central strength of the book lies in its re-affirmation that a high skills strategy is not a universal panacea for a broad range of social and economic problems. We would accept that developing a high skill strategy offers one of the better alternative policy options within a capitalist economy, that state intervention is essential to improving the economic and social environment and that active engagement with policy makers is, therefore, a necessity. Nevertheless, we suggest that the book lacks 'the political economy of skills creation' identified in the subtitle. This is most apparent in their views on the role and nature of the state and

their analysis of workplace relations, both of which side-step issues of conflict and power. In addition, the very notion of skill is presented as unproblematic, reflecting the needs of technology and the relevant incentive structures. We argue that skill is a contested concept which is constructed and defined through social processes. The first part of our critique, therefore, details the discrepancies in the authors' theoretical analysis and argues for the development of an alternative 'political economy of skill' based upon the contradictory nature of state, capital and labour relations.

The second part of our critique focuses on the policy recommendations that are advanced for the realisation of a 'high-skills society'. This reflects both the weakness in the theoretical analysis but also a failure to define the objectives of a learning society and the limited scope afforded to state intervention. Moreover, we ask if this is perhaps symptomatic of a more general crisis of academic politics against which 'the skills debate' now takes place, and a reluctance on the part of the research community in general to contest the narrow parameters fashioned by policy makers. We argue for a more radical and adventurous research agenda that critically exposes the myths surrounding the knowledge society and faces up to kind of political and policy shifts that would be necessary to move us in the direction of a high skills or learning society.

The review is structured as follows. Section I outlines the book's core arguments and section II develops a critique, first, of the analytical and theoretical framework and second, of the policy recommendations. Given the scope and detail of some of the material, the review does not attempt to cover everything. There are many areas of the book, for example the chapters on the seven countries' training systems, to which only passing reference has been made. The focus is on the framework of analysis, the underlying assumptions and the policy recommendations. The paper concludes with a re-assertion of the need for academics to search for a 'better class of question' with a view to a 'better set of answers'.

1. Are Skills the Answer?

i) The Dilemmas

The core arguments running through *Are Skills the Answer?* are constructed around four problems, dilemmas or paradoxes likely to confront policy makers in the pursuit of a high-skills or learning society. First, the authors 'do not believe that the search for a high-skill economy can fulfil the hopes so widely vested in it for solving the

problems of unemployment' (p.30). Internationally traded sectors of the economy which rely on advanced level skills offer at best minority pockets of employment within any national economy, with an added tendency to become even less labour intensive as skills levels and labour productivity advance. In short, high-skill knowledge work can only ever be for the few, while the pursuit of neo-liberal, deregulatory labour market polices, notably in the UK and US, condemns many to low-skill, low-wage and casualized employment on its bleaker margins. For Crouch *et al.* there is no such thing therefore as a 'universal high skills economy' (p.32), implying 'clear limits on who can enter utopia' and 'distinct dystopia for some' (p.3).

Second, the changing nature of skill in a context of rapid technological change, combined with the fact that organisations increasingly require employee skills to be inflected with a specific corporate culture, identity or 'style of service', confronts policy makers with a further 'paradox'. In this context, skills have to be formed within or close to the organisation itself such that 'whole areas of VET' are increasingly sucked into the private sphere of the firm whilst also remaining an area of pressing public and policy concern. Centrally regulated regimes of initial school-based VET such as exist in France, Italy and Sweden, in providing specific vocational courses 'remote from the enterprise', risk losing touch with changing organisational needs and shifting technological requirements. However, private firms left to their own devices, are essentially profit maximising entities subject to well-documented forms of 'training market failure' and have consistently failed to deliver general upskilling. Even firms that choose to invest heavily in occupational skills to support existing product strategies tend to target training inputs on select groups of their employees (usually those who have received most education and training in the past) and, to avoid 'poaching', prefer firm-specific skills to transferable ones. Governments intent on pursuing the learning society find themselves in a veritable Catch-22 having nowhere to turn but to firms for the universal upskilling implicit in the policy ideal.

On the horns of this dilemma emerges what Crouch *et al.* see as the third central problem confronting policy makers in pursuit of the high-skills knowledge society. With neo-liberalism in global ascendancy, governments - whether of the left or right - are 'beset with a lack of confidence in their own ability to act unless the action takes the limiting case, the neo-liberal form of action to deregulate' (p.12). The temptation therefore is for governments to defer to private firms for the provision

and formation of skills, thereby surrendering their leadership roles to actors who decry all external constraint. Meanwhile, public agencies involved in VET provision end up focusing their energies on the 'social casualties', notably the unemployed. As the experience of the British TECs well attests, the result is that 'they cease to be plausible participants in the development of a high-skill economy and lose the possibility of acquiring and maintaining the expertise necessary to function as well-informed participants in the provision of advanced skills' (p.134).

The fourth problem confronting policy makers concerns the weakening capacity of 'neo-corporatist' institutions, or more specifically business associations, at the interface between individual firms and public policy, which have long been recognised as playing a vital role in the provision of 'collective goods' such as training. Such institutions, as in the German dual apprenticeship system, have tended to operate with most success at the border between the public school system and the private firm. In a fast-moving world these organisations are now said to be experiencing 'difficulties in developing adequate sensitivity to company needs', as once again 'the changeability and flexibility of new skill concepts shifts the emphasis from initial towards ongoing training [within the firm]' and stresses the worker's 'induction into a specific corporate culture' (p.162). Although the authors recognise both a need and a potential for 'institutional redesign and reconstruction' - a case strengthened by one reading of the post-war experience of Germany and Japan - other forces block the way. In Sweden and Britain, firms are reluctant to tolerate any outside interference in their affairs, while, even in Germany, say the authors, firms increasingly want to stave off any additional 'cost burdens'. As such, 'the power constellation in the business community currently favours the destruction rather than the reconstitution of institutions embodying public policy constraints on firms desperately seeking freedom from all restraint in an increasingly competitive world' (p.163).

ii) Policy recommendations

In the concluding chapter the authors move on to consider what policy makers *can do* in the light of such constraints and challenges. As stated in the preface, they make it clear that they are not in the business of 'elaborating detailed policy proposals' (see p.viii). Rather their aim is to draw attention to certain reform principles which they nevertheless see as *universally* applicable to *all* advanced capitalist societies intent on

pursuing a high-skills strategy (a point returned to below). At the same time, they are keen to distance themselves from any naive 'convergence' hypothesis, stating:

> …we do not believe that there is any one institutional policy mix which, once found, will prove to be 'the right answer'; virtually all policy approaches embody flaws, tendencies to entropy and potential capture by vested interests, all need frequent renewal. (p.30)

Crouch *et al.* suggest three 'possible paths forward' for policy makers in pursuit of an advanced skills policy. First, they say it will be necessary to address one of the darker, more sombre 'clouds' that have settled over the learning society utopia, namely those destined to be its 'outsiders' (see p.3). The reality of labour market and skill polarisation, made worse by Anglo-US deregulatory responses to the problem of unemployment, necessitates that something be done to ease the plight of 'low productivity workers' headed for jobs that are all too often poor, nasty, brutish and short. The solution they propose is a renaissance of the public sector 'good employer' model that existed in many countries for much of the post-war era.

> …public services have been important aspects of employment for relatively low-skilled workers. One thinks immediately of a whole range of environmental cleansing services: refuse collection, street cleaning, maintenance of public spaces, also of child care, some jobs within health care and public transportation. These services have often made a distinctive contribution to the structure of employment in advanced industrial societies: work that required relatively modest skills, paid rather low wages, but offered security of employment and (because of the commitment of most public employers to concepts of 'the good employer') freedom from brutalization often associated with low-skilled and low-paid work. (p.239)

Given that 'a sizeable number of people are *destined* to remain in low skilled employment' (p.239, emphasis added) the authors argue that:

> The public service model of low pay combined with decent conditions, which is difficult to achieve in the down market private sector, can square the circle and did so for many years in most countries. (p.240)

In other words, the expectation is that an enlightened public sector might mop up some of those 'low productivity workers' otherwise headed for the worst private sector jobs.

Their second major reform proposal focuses on defining carefully the precise remit of public agencies at the leading edge of an advanced skills policy. Here the experience of the British TECs looms large. As agencies 'designed originally to be the spearhead of Britain's challenge to German and Japanese skill levels' (p.232),

their story is one of chronic under-resourcing and a performance evaluation model that set up incentives to concentrate on the cheapest training providers promising to place the unemployed in low-skill, low-wage jobs (see pp.189-90). The problem, say Crouch *et al.*, is that where public agencies focus their energies on dealing with 'social casualties', they 'cannot become associated in employers' minds with advanced developments in VET' (p.232). Public agencies, serious about their position as credible partners with business in a high-skills strategy, cannot therefore conceivably hope to straddle these two very different policy horses, and must relinquish what has often been one of their principal responsibilities.

Third, public agencies at the vanguard of a high skills strategy will need to fashion a *new role* for themselves as 'expert co-operative forums' (p.vii), working closely with business, whilst at the same time avoiding the tendency to submit passively to firms' own market-driven agendas. As 'well resourced', 'well staffed' and 'expert' forums, the new 'public skill creation bodies' of the future must avoid the pitfalls and 'remoteness' of their predecessors, and grasp their new role as trying 'to ratchet up firms' skill needs and practices' (pp.231-232). In addition to advising firms on their involvement in initial VET and assisting their further VET efforts, they should also strive:

> …to link skills creation with other services (for example, technology transfer, access to capital, assistance in work process redesign, export marketing etc) that can help firms make the transition to internationally competitive, high-skills, high-value-added strategies. (p.232)

This is the only policy recommendation alluding to the problem of how to shift the product strategies of those firms which remain allied to low-skill, cost-based forms of competition. It is also stated that the new agencies 'will probably be best equipped to operate *authoritatively* if they work closely with business associations and neo-corporatist associations' (p.232, emphasis added). Where these do not exist except in very weak forms, as in the UK and US for example, the state may have to build them, whilst simultaneously guarding against the threat of 'cartelistic tendencies'. The point they stress is that these agencies to be successful in their new role will need to work in close proximity to firms demonstrating both their *expertise* and *authority*, and that in some sense these two things are inextricably connected.

In their efforts to achieve this they can draw on a range of other policy initiatives available to them including, for instance, improving the quantity and

quality of information available to individuals, firms, and VET providers with regard to available types of training and the success enjoyed by new skill formation projects. Governments might also take steps to 'restructure their accounting rules to put investment in people on a more even footing with investment in plant, equipment or research' (p.243). Public agencies ought to play a key role in 'supporting skill standards' and verifying training outcomes, especially with regard to the general problem solving and team working skills that are held to be key to the 'high performance workplace' model. Efforts should also be made to develop comparative international measures of these skills that might supplement existing measures of literacy and numeracy. Cross-national comparative benchmarking of high skill enterprises, active labour market polices, employment and training polices can, they insist, by increasing the information concerning investments in human resources and their outcomes, also deliver important benefits for both firms and governments.

Finally, the creation of a learning society will require a fundamental re-assertion of the role of publicly funded education against the backdrop of a post-Keynesian, low-tax, low-spend political culture (pp.233-238). This will not be achieved, they say, without additional educational investment in 'early childhood development, mass post-compulsory education, and universal further training' (p.234). During the compulsory phase of education, the authors are adamant that only a publicly funded education system can withstand the widening of educational inequalities incompatible with the ideal of the learning society. After compulsory schooling, the issue becomes one of how to finance an expansion of learning opportunities 'given existing fiscal constraints', without at the same time discouraging 'individuals from poorer backgrounds', and which 'shares the costs equitably among... the state, individuals and employers' (pp233-238). Several existing approaches are identified among them 'lifelong learning accounts', a statutory right to a fixed period of further or higher education and a 'graduate tax' on student loans.

Although the authors conclude by stressing the absolute necessity of a high-skills strategy, they nevertheless remain circumspect as to what this can and cannot be expected to achieve in social welfare terms.

> ...such a strategy comes into the awkward class of 'necessary but insufficient' policies. It is insufficient in that it is not feasible to expect that a majority of any country's workforce will be enabled by improved and more focused education to find useful, high productivity employment to such an extent that unemployment, social integration, and poverty, and

> the social polices traditionally associated with their resolution, become residual. There is currently a strong desire among policy makers to believe that such an outcome can be achieved ... a phenomenon that could lead eventually to a serious bout of disillusion. (p.249)

The next two sections provide a critical review of the book, first, through an examination of its underlying theoretical and analytical framework and, second, by evaluating the appropriateness and potential of the policy proposals.

II. Critical Analysis

Theory and Analysis

There are a number of problems associated with the authors' theoretical framework, the concepts used and the assumptions that are made, which are indicative of their failure to adequately develop what they describe as a political economy of skill creation. This section focuses on the four key areas that we believe have the most far reaching implications for understanding economic competitiveness and the development of appropriate policies. These areas are the definition, use and measurement of skills, the analysis of the changes taking place in the world economy, the theorising of the nation state and the role of management and the nature of workplace relations.

i) Defining skills

One of the key problems which underlies the analysis in the book is the failure to define adequately the term 'skill', either at the level of the individual, sector or country. For a book which is entitled *Are Skills the Answer?*, it might be appropriate to address the meaning of 'skills' or at least to have some discussion about the difficulties associated with defining skilled work. Instead skill is presented as an uncontested concept, illustrated by the use of the term 'social skills', to include for example obedience and ability to communicate, without any reference to whether this is an appropriate definition of skilled work or the implications that flow from such a usage (see Payne 2000). If an economic strategy is to be based upon a skilled workforce competing in high skilled sectors, we should have some consistent idea about what is being proposed, as one person's knowledge worker can be another person's keyboard operator.

Their explanation of what is meant by high-skilled sectors, as opposed to medium and low skill sectors is also far from convincing. 'A few obvious generally

high skilled sectors can be identified: computers, pharmaceuticals, aircraft manufacture, financial services, the health and education sectors' (p.20), while low skilled sectors include meat, leather, textiles and rubber. In effect, these definitions are based upon sectors having a high proportion of employees with respectively high levels and low levels of education. The authors concede that 'the actual skill levels of which workers are capable is not known' (p.62) but, in order to provide some form of data analysis in chapters two and three, educational proxies are used as the principal representation of skill. Problems with educational measures are noted, including their lack of comparability across countries and their poor reflection of actual skill levels, but these difficulties are quickly passed over.

From these educational measures they attempt to classify six of the countries (excluding Japan because of lack of data), according to their 'skill levels'. In reality skill means educational levels, leading to the US being classified as having 'high skill provision' due to a relatively high proportion of the population having participated in tertiary education. Italy is low skill because of the large numbers with low levels of qualification, while Sweden is placed in the upper middle skill level not because of its educational participation but due to having high rates of adult literacy. This failure to define clearly what is meant by skill leads to a certain amount of confusion, particularly when it is used inter-changeably with educational qualifications or participation. The UK, for example, is classified as having high levels of intermediate skill, although it is later argued to be similar to the US in that it is 'bifurcated between high and low skill activities' (p.214).

The classification of countries reveals a further problem in relation to their assertions concerning the way the world is changing. If firms can only successfully compete on the basis of the skills and knowledge of their workforce, France, which is said to be in a low skill equilibrium (p.114), ought to be facing serious competitiveness problems. However, France is relatively competitive in high technology industries, has high productivity levels, extensive social welfare provision and currently has one of the fastest growth rates in Europe (Graham 2000). Evidence suggests a more Tayloristic manufacturing model and a lack the apprenticeship skills but there is no indication that this has been an ineffective strategy for certain sectors of the economy (Méhaut 1992; Saglio 1995).

ii) The Changing Economy

The belief in the emergence of a knowledge economy has been taken up by a broad range of academics and policy makers, often, it seems, on the strength of little more than the growth of biotech firms and e-commerce. As Ashton and Green claim, these kinds of arguments 'are typically presented with relatively little theoretical grounding and even less of a basis in solid empirical evidence' (1996:70). In contrast, there is a variety of microanalysis of how product markets are changing, the impact of new technology and the extent and nature of skill changes (for reviews see Lloyd and Steedman 1999; Thompson and Warhurst 1998). However, this has largely shown the complexity and contextual nature of change, which unfortunately does not provide the simple soundbites so beloved by politicians.

In search of easy solutions, the knowledge economy proponents appear to be repeating many of the same mistakes found in the new international division of labour literature of twenty years ago (Frobel *et al.* 1980). Rather than labour costs being the source of competitiveness, it has now become the skills of the workforce, with a refusal to accept the implications that many firms continue to compete in advanced industrialised economies using low skilled and semi-skilled workers (see Brown and Lauder 1996). By the same token, although the authors argue that they are looking at diversity across industrialised economies, what clearly comes across is that they are arguing for a convergence of aim, that of competing on the basis of high skills. They claim to be against 'one best way' approaches but only offer alternative routes (through different institutional interventions and structures) to the knowledge economy, rather than alternative routes to competitiveness.

Once the initial assumption is made about the growth of the knowledge economy, then the next step requires there to be a strong relationship between skills and economic performance. There may be convincing arguments and data that skilled workers have helped German companies compete successfully in particular industries (Daly *et al.* 1985; Steedman and Wagner 1989), but there appears to be no universal or direct relationship between general VET and economic performance (see Ashton and Green 1996). Other factors may come into the equation or may be interlinked with skills, such as the level and quality of capital equipment, distribution networks, sales, location, large domestic markets, patents, political relationships, economies of scale, barriers to entry, factory lay-out etc. Some of these features are recognised by Crouch *et al.*, illustrated in their examination of high skilled sectors. The aerospace

industry is excluded largely on the grounds that political and military issues are dominant in their production location. However, how these (and other non-skill) factors affect other sectors, such as oil or computers, is not considered. As a result, we are left with an analysis that views skills and education as the key component of success while no evidence is produced to support this.

If we accept this framework of analysis and that such a relationship does exist, then because of its broad level of generality, the emphasis becomes that of developing strategies to improve overall skill levels. In the first chapter they clearly state that 'improving the educational level of a potential workforce does not immediately create new jobs' (p.6) yet they ask 'can governments and communities do anything other than hope that firms will provide solutions to *their needs* for higher skills?' (p.11, emphasis added). The problem identified is not why do so many firms *not* require high skilled workers but how can firms' demand for skilled workers be fulfilled. As a result, the main thrust of the book's analysis is on how to increase the provision of education and training, whether by the state or companies. Rather than a focus on the ways that governments can help companies compete in high-skill sectors (however they are defined), the emphasis shifts to ways of improving the educational and skill levels of all workers. By re-prioritising skills supply, the tendency is to downplay the difficult problems of the demand side (well-documented in the UK debate).

iii) The State

State institutions are viewed as playing a key role in any strategy designed to move to a learning society. However, when we examine Crouch *et al.*'s theorising of the state, we are left with the idea of the state wishing to pursue the 'common good' of society, while being constrained by the forces of capital to limit forms of regulation. There is the sense of the state historically as having intervened far more and with much greater success. 'In general, the state… is losing its claim to be able to guide firms that have not found dynamic new paths for themselves into appropriate courses of action' (p.220). Whether any state has effectively done this in the past and what role compulsion, as opposed to guidance, has actually played in more successful policy intervention, is not investigated.

Despite these difficulties, there seems to be a general acceptance that all states have a desire and willingness to move to a learning society (see Ashton and Green 1996 for a critique) and higher skills are a 'collective goal'. The possibility that there

may exist powerful interest groups who may find a highly educated population either uncomfortable or threatening, as well as costly, is not addressed. Each nation state is assumed to view the problems in the same way, to share the same aim and to be limited to similar policy options. The available choices appear to be largely based on the assumption that Anglo-Saxon neo-liberalism now sets the agenda and defines the possibilities. The fact that the French state is able to introduce a 35 hour week, raise a training levy and invest heavily in their manufacturing industry illustrates a stark contrast to the position in the UK. Allowing individual opt outs on the 48 hour week, refusing to countenance any forms of compulsion on training and adopting a relatively 'hands-off' policy towards industry, represents very different forms of intervention by the UK state.

The emphasis on the dominance of deregulation ideology both overlooks what is currently possible within social democratic states and makes no attempt to deal with the difficulties in making even relatively limited interventions, such as improving the quality of public sector employment, in the UK or the US. The result is an unrealistic version of the state as a reflection of societal consensus but able to do very little in the face of the dominance of international capital. This limits both the possibilities of state intervention, while at the same time failing to appreciate the power shifts (which will vary according to country) necessary to implement a policy agenda for a learning society.

iv) The Firm

The book emphasises the firm as being the main site for future skill formation and, thus, for the development of a learning society. The analysis of employer behaviour is, therefore, important in developing policies and projecting how firms may respond to them. However, this is probably the weakest part of the book, resting on a model of employer behaviour which uses a mix of rational choice and human capital theories, with a dollop of institutionalism on top. The authors adopt what they call a ''neo-institutionalist' approach to studying economic institutions' which shares 'many of the rational-choice assumptions of neo-classical economics' (p.23). This has a number of implications for the way that Crouch *et al.* conceptualise the firm and the production of skills. In this model, the demand for skill appears to reflect the state of technology and the product market within the company, interacting with the existing supply of skills. With their analysis of changes in the economy being largely

technologically driven, workers now require new skills and competencies and, as a result, firms demand higher skilled workers.

It is in every firms' interest to have an improvement in the supply of skills, they argue, but constraints of knowledge or resources and poaching discourage firms from 'providing all workers with the skills needed to handle these new responsibilities' (p.226). Simply improving educational levels does not guarantee firms will use those higher skilled (educated) workers. Nevertheless, 'it is always possible and often likely that employers will be able to make productive use of the increased capacities among their workforce' (p.7) with the result that it 'increases their [firms'] choice and efficiency, and exerts a downward pressure on wages and salaries' (p.18).

Although in the short-term 'labour is not driven by its supply' (p.17) and it may not be in existing skilled workers' interest for everyone else to gain their levels of skill, 'once we turn to the long-term these problems no longer exist; everyone can share an interest in a move of the whole economy to higher levels of skill' (p.17). They assert that the distinction between the long- and short- run is fundamental, as in the long-run, 'the supply of certain kinds of labour begins to determine production possibilities'. The mechanisms by which supply creates its own demand, surely a key part of the argument, are not elaborated. This use of short- and long- run neatly evades those groups who may not be keen on general increases in skill levels, for example existing skilled workers whose wages may fall, firms competing on the basis of skill which do not want the added competition of new firm entrants and companies which compete on costs and may have to recruit over-qualified workers who may be dissatisfied with their low level occupations. As in much of their analysis, the plurality of interests required to produce a learning society overrides any such conflict within the workplace or between different companies.

Despite the 'obvious' advantages of employing higher skilled workers, firms are 'reluctant to do anything about it' (p.18). What is required are institutions to provide the incentives to push firms to train for the skills they need and to raise 'the skill level of the average company up to the level of the current best' (p.20). This relies upon an analysis of management strategy as a mix of rational short-term behaviour constrained by national level institutions. This both ignores the complexity of what takes place within the workplace (see, for example, Hyman 1987, on the structure-strategy debates) and places principal emphasis on those institutions, most directly relating to skills and training, namely the education and training system and

to a lesser extent employers federations and trade union organisations at national level. Little is mentioned of forms of product market regulation, financial institutions, the role of industrial policy and so on, which can be essential in shaping product strategy and determining the sorts of constraints operating on a company.

In reasserting Heyes and Stuart's (1994) criticisms of the 'low skill equilibrium' thesis, Crouch *et al.* also fail to incorporate an analysis of how workplace industrial relations impacts on skill and training outcomes. The lack of concern with workplace relations and the simple process of skill formation used by the authors is illustrated in the role given to trade unions.

> in the short-term unions can only affect skills through bargaining over company training for new recruits and existing employees. (p.18)

Research has shown that the definition of skill and the skills associated with a particular technology are negotiated and rewarded through social processes, including gender and power (eg. Coyle 1982; Cockburn 1985), which may or may not be union controlled. For Crouch *et al.* conflict tends to be confined to the macro-level, with the shifting balance of power between capital and labour constraining policy options, while ironically ignoring conflict at the workplace. No reference, for example, is made to the problems of employing skilled workers, the higher costs (there is a tendency to assume that these will be outweighed by higher levels of productivity), and the issue of control, which has provided a rationale for the deskilling of many occupations (see for example Lloyd 1997; Senker and Senker 1994; Thompson *et al.* 1995).

The focus of the analysis within the book is primarily on the manufacturing sector, particularly in relation to VET and technological change. When discussion moves to the service sector, the workforce is neatly divided between the highly educated working in health, education and welfare, financial and business services and the others. The others are largely those workers whose productivity is low: 'low productivity jobs have to be relatively low paid and are likely to require lower levels of educational background' (p.228). For Crouch *et al.*, the wage is simply an outcome of productivity levels, with no discussion of what productivity means within the service sector or how far it actually reflects wage levels within a particular occupation. Wage determination, along with skill definition, is a social process where definitions of worth are often related to gender and market position. A number of female dominated occupations, such as cleaning, childcare, clerical work, etc are

often viewed as low valued, although they are not always low skilled (e.g. Phillips and Taylor 1980). This discussion of service sector workers is just another indication of the assumptions being made in relation both to skill formation and wage determination. Where these 'lower skilled' private service sector workers fit into the high skill vision is not clear, especially when set against their own evidence of the lack of 'trickle down' effect from the successful high-tech companies in the US.

The key problems highlighted have focused on the failure to define skill, the assumptions about the changing nature of the economy, the lack of analysis of the state and the inadequate treatment of workplace relations. Together they provide a clear indication that the authors have not developed an adequate political economy of skill creation, leading to a reliance on rational choice approaches and an over-emphasis on institutional influences. This is our interpretation of what is itself a deeply contradictory book. Skills are not the answer, but then again its authors are proposing policies which will up-skill the whole workforce, whilst acknowledging that only a minority of firms will ever be able to compete on a high skill basis. The next section provides a critique of the policy proposals outlined in the final chapter. It is argued that the limitations of these policies reflect both a failure of economic analysis and a lack of political ambition and will.

Policy Recommendations

Turning to the policy recommendations two questions present themselves. First, how well thought through and viable are they in themselves. Second, do they measure up to the kind of policy shifts that might be considered necessary to take us closer towards a high-skills society? Here it is argued that it is the *weakness* of the proposed policy levers for growing the high skill elements of the economy that is most striking, a weakness which flows inevitably from their unduly narrow and pessimistic reading of legitimate and practicable state responses under existing conditions. This section takes three examples to illustrate this point: the role of the public sector, the new public agencies and the role of public education.

i) The Public Sector

The authors' claim that a revitalised public sector must come to the rescue of those workers who will otherwise be 'destined' for low-wage, low-productivity and often casualized jobs outside the high skill enclaves of the knowledge economy. Whilst this

faces up to the reality of working life for many in the labour market, it fails to address the issue of whether applying this particular elastoplast to the learning society is workable given the authors' own analysis of the contemporary political context. Indeed, as they themselves acknowledge, in many countries, not least the UK, the public sector has, if anything, evolved into the model of a 'bad employer' in the 1980s and 1990s:

> Anxiety to reduce the size of public employment and of taxation has recently led most national and local governments to make working conditions for this kind of employment more closely resemble that to be found at the low end of the private sector, either by privatising it or changing its regime through marketisation within the public service. (p.239)

The central question which the authors fail to address is precisely how this act of public sector resurrection is to be achieved given the extent to which they see political and policy agendas trapped within an iron cage of low-tax, low-spend priorities. One can find a clue perhaps in the recent work of David Finegold into the emergence of what he terms 'High Skill Ecosystems' (HSEs) in southern California, which offer an opportunity for the state:

> …to *redistribute* some of the wealth these HSEs generate to create living-wage jobs for lower-skilled individuals in sheltered portions of the public and private sector. (1999:79, emphasis added)

In *Are Skills the Answer?* such a redistributionist logic is conspicuous by its absence. Presumably this is because it flies in the face of the general argument that capital is virtually omnipotent with firms unwilling to tolerate outside interference and added cost burdens that hinder them in competition with their market rivals.

No mention is made as to what might be done to make working life more tolerable for those who remain trapped in the 'down-market' private sector. The notion, for example, of trying to put in place a much tougher regulatory regime of carrots and sticks to force employers to improve the lot of those working at the lower reaches of the labour market seems, if not altogether alien, then certainly out of present political bounds. In many ways, then, the book can be read as a general retreat from the idea that anything can seriously be done to tackle 'the low-skill equilibrium'. Instead, the emphasis is very much on what can we do to grow the minority high-skill elements within the economy (within very definite limits), and

what kind of lifelines might the state throw to those trapped on the bleaker reaches of its periphery.

ii) The Public Agencies

Similar problems emerge in connection with the 'new public agencies' that Crouch *et al.* see as being at the vanguard of an advanced skills policy. Despite the odd cursory nod in the direction of the need to address the demand side for skill (and by implication firms' product strategies and systems of work organisation), their role appears to be primarily persuasive based on supplying information, advice and expertise to individuals, firms and VET providers. This immediately begs the question of to what extent such methods and approaches would be sufficient to realistically shake out those firms that remain wedded to low-skill, low-quality strategies onto a higher-skills accumulation trajectory. The authors are not unaware of this problem. Indeed, they acknowledge:

> …there is considerable difference between a government agency working with the grain of the needs of a firm already engaged in skill maximisation and one seeking to ratchet up the skill needs of companies lacking such an approach…[In this context] Responsive, 'customer sensitive' agencies might help maximise skill utilisation, but at relatively unambitious levels. (p.134)

In the UK, where such firms constitute a very sizeable and persistent problem, it takes a major leap of faith to believe that a new agency, armed only with the nebulous qualities of 'information', 'authority' and 'expertise', would be able to break the mould and resist submitting to firms' own agendas. Expertise is not the same thing as authority, and we are never told how the one translates into the other. However 'expert' these new public agencies are, this is no automatic guarantee that they will exercise 'authority' or 'leadership' with firms who are happy to compete on low-skill, low-value-added terms. There is the very real danger that such 'customer sensitive' agencies would find themselves eventually being led by firms who simply through weight of numbers and force of inertia scale down their ambitions.

The problems do not end there. We are informed that the new agencies will work best when they do so in conjunction with neo-corporatist organisations and business networks, and where these do not exist state policy makers can act to foster them (pp.222-233). In contrast to Germany, British employers have historically displayed a very limited organisational capacity, whilst inter-firm networks continue

to be 'weak and patchy' (Keep 1999:328, also Grant 1993). The authors recognise the problem but spy a glimmer of hope in the experience of the TECs which suggests that 'government can bolster… nascent [employer] networks by providing for co-ordination activities and using them as a vehicle for the delivery of services' (p.233). Once again we are left wondering exactly how they will go about tackling such deeply embedded structural weaknesses on the part of employers and, in the absence of such supports, whether a 'new' public agency can realistically avoid going the same way as its many predecessors (Keep 1999). Applying these proposals to the UK reminds us therefore that *universal* policy formulations seeking to transcend the particular configuration of problems encountered within any given national economic, political, institutional, and societal context, are not likely to take us very far.

Applying these policy recommendations to the particularly difficult problems confronting the UK may be problematic enough, but extending them to a relatively high-skills economy such as Germany hardly fares any better. As the authors note, Germany already possesses a bipartite national body, the Bundesinstitut für Berufsbildung, staffed by technical experts, which reports on the quality of training and major developments. While the addition of a new advanced skills public agency might be no bad thing in itself, as a central policy recommendation, we are not told how it would address many of the current 'threats' to the German high-skill equilibrium (for a useful discussion, see Culpepper 1999). These include, *inter alia*, the weakening co-ordinating capacity of German employers since the mid-1980s, falling union membership and growing strains between works councils and unions themselves, which have been recognised as essential institutional supports to a high skill approach and the 'dual apprenticeship' system. The question then is how would the policy agenda advanced here face up to and address such difficulties, and indeed what does it have to offer to countries who already have well developed institutional and policy architecture for supporting high-skilled sectors.

iii) Education and the Learning Society

Finally, it is never altogether clear what the authors are aiming to achieve with their policy recommendations and what they see as constituting success. Thus we have talk of the learning society, expanding high skill sectors, promoting competitiveness and economic growth, tackling unemployment, reducing inequality, offering a new deal

for public sector workers – everything is thrown into the melting pot despite the fact that such diverse policy goals may well be contradictory or at least difficult to reconcile. Given that the book is concerned fundamentally with the 'search for the learning society', it is a somewhat surprising omission that the authors at no point attempt to define what they actually mean by the term (for a discussion of definitional problems, see Keep and Mayhew 1996). Instead, we are treated to rather vague formulations like 'a commitment to a learning society requires more and constantly improving education at all levels' (p.234). But what kind of education are we talking about here? What ought to be its aims, values and purposes? What vision of society should underlie it? Who benefits and who may lose out? These are highly contentious, value-laden issues that the authors fail to confront.

A fleeting reference is made in chapter one to the fact that policy makers and employers, in their concern to emphasise its economic purposes, have tended to place an 'overwhelming stress on the instrumental, vocational value of education' (p.16). Given the way employment prospects look set to pan out for many people, the authors concede that 'such a *strong* change of emphasis *might* have been a mistake, rendering people culturally impoverished as well as incapable of finding attractive work' (p.16, emphasis added). As is typical of much of the book, the statement is so qualified and circumspect that it is not at all clear where the authors stand on the issue. Beyond this there is no real attempt to critically contest the technicist, economic straightjacket into which education has been squeezed or to ask more searching questions about what and whom education ought to be for.

Education, rather than being an essentially contested concept, comes to be treated simply as an uncontroversial 'something' which we need 'more of' in order to provide the 'critical mass' (p.17) of educated persons - the general upskilling - that might permit more firms 'in the long-run' to shift towards high-skill activities. As a result, the authors underestimate the extent to which education is a 'positional good' likely to be jealously guarded by privileged social groups that receive the most and the best of it. They acknowledge that:

> Within the short term, there is ... no reason why individuals ... should share a general interest in an increase in either vocational training or general education, since the main immediate consequence of such an increase is only to increase competition for skilled jobs. (p.17)

In 'the long run', however, such problems are magically spirited away as 'everyone can share an interest in a move of the whole economy to higher levels of skills, which would if successfully achieved mean an increase in opportunities for skilled work for large numbers of people' (p.17). Not only is this a massive 'if', but it gives the lie to the magnitude of the problem itself within certain national contexts. Similar to their analysis of the firm's demand for skills, it is never clear when the 'short-run' ends and the 'long-run' begins, how we shift from one to the other let alone manage the painful medium-term that lies in-between. Do these 'positional good' aspects surrounding education really go away 'in the long run', despite being informed that access to well-paid, high-skill jobs will always be strictly limited and competition intense? What happens if the long-run is too far away for politicians who, with one eye always on the ballot box, prefer not to risk alienating their core middle-class supporters? In the end, the very idea that a genuine learning society might constitute a threat to certain social groups, and therefore require government to bite the bullet and face down vested interests, simply becomes lost in the detail.

This view of the learning society avoids difficult issues relating to power, difference and antagonism and falls cosily into step with policy makers' vision of a learning economy, which seeks competitive advantage by expanding skills levels across the working population. Apart from muddying the waters around whether an expansion of skills supply might eventually be able to crack the problem of insufficient demand, it is never fully explained why policy makers should pursue general up-skilling in any case, given that high skill sectors can only ever offer such employment for a minority of its citizens. This lacuna gapes even bigger when the authors ask precisely what kind of educational preparation and skills employers look for the education system to provide. The answer they say is not straightforward since it varies from firm to firm, and may be different depending on the position and status of worker recruited. For managerial and professional posts a good general education seems most appropriate. For those lower down the ladder 'a simple willingness to obey orders' will often do (pp.222-3).

What does 'general up-skilling' (or education itself for that matter) mean, once we lump together under the umbrella term *skill* everything from personal attributes like 'obedience' and 'conformity' to an 'enquiring critical mind' (Keep and Mayhew 1999; Payne 2000)? Within this vision of a learning society, are we still talking about offering to a minority the critical habit of mind traditionally associated with a liberal-

humanist education, whilst 'schooling' the rest in passive obedience (see Bowles and Gintis 1976)? By focusing narrowly on issues to do with skills and economic performance, the authors conveniently side-step the societal obstacles and vested interests that stand in the way of a radical vision of a learning society that seeks to go beyond the economic and provide emancipatory learning opportunities for all its citizens (Ranson 1994; Avis *et al.* 1996).

Conclusions

We have produced a critique of this book because it epitomises what we believe are some of the major problems associated with current research and policy making in the area of economic performance and skills. Although our critique has focussed on the authors' inadequate analysis of developments in capitalist economies and the nature and definition of skill, the most disappointing aspect of the book is the extent to which it accepts the current policy terrain. Having raised some interesting dilemmas and contradictions early on, the authors then *equivocate* on fundamental questions such as what skills can and cannot do, entangling themselves in a politics and a reading of contemporary 'reality' which assures there are no policy alternatives to the current learning society/skills agenda.

If British policy makers were to read this book what would they conclude? On the one hand, they would take the rather unnerving message that skills cannot substitute for social welfare policies. On the other, they would undoubtedly cheer the overriding message that they are fundamentally on the right track and that boosting the supply of skills may eventually take the UK economy somewhere towards the prophesied high skills nirvana. Governments are very happy to be reassured that improving the supply of skills is *the* key policy intervention with the major role being played by public education institutions, thus avoiding any substantive forms of business regulation. The academics who are thinking more broadly and are trying to engage with policy makers (eg. Keep 2000), have emphasised the importance of the demand side for skills and the difficulties involved in trying to ratchet-up firms' product strategies and systems of work organisation. This type of approach is effectively sold short by a book, which although conceding that skill demand is a problem, nevertheless focuses mainly on policy recommendations about improving training and educational facilities. We might ask therefore how the authors have reached a point where the predominant emphasis is on improving skill supply, rather

than on more challenging questions and the necessarily radical policy agenda they imply.

Clearly the authors are not alone in what has become a collective issue amongst the academic community in general. The mainstream academic-policy debate in the UK has moved no further forward than when Cutler observed in 1992 that the current emphasis on poor vocational education and training, as the root cause of Britain's failure in economic performance, served only to obscure more fundamental and difficult problems *on the side of capital*. The policy of increasing training for all was, he argued, attractive to policy makers across Europe, as they are 'not interventions against the market but rather enable the market to work more effectively' (1992:180). In a political climate which excludes intervention against the market, we are witnessing, as Coates notes, 'an ideological onslaught on *labour* that served to reduce the potency of calls of the regulation and reform of *capital* as the key to economic recovery' (2000:119).

The limitations of the authors' proposals are keenly felt when the search for any discussion of the role of regulation in capital or labour markets proves fruitless. The need to rebuild collective institutions, such as trade union and employers' associations is mentioned but with the current power constellation weighted against such moves, is simply deemed out of political bounds. Although they state that 'the declining power of organised labour… should not be assumed to be a continuing and ineluctable phenomena' (p.14), and that their lack of power has weakened the forces for regulation, no role is provided for labour organisations in developing a high quality, high-spec production strategy. Little emphasis is placed on the role of unions in pushing for higher wages and minimal labour standards, thus closing down low wage strategies for companies in Sweden and Germany (Streeck 1992). The only role for collective organisations appears to be in providing some intermediate role between the state and employers in the provision of information dissemination and support.

Crouch *et al.* acknowledge that Anglo-Saxon shareholder models of capitalism create pressures on managers to maximise short-term shareholder returns through measures such as 'downsizing' and 'delayering' - aspects of the contemporary corporate culture which once again they see as 'difficult to reconcile with the requirements of the learning society' (p.224, see also pp.210-211). However, they remain silent on the issue of how such problems might be tackled or indeed whether they need to be (see Hutton 1995). The implicit assumption the authors appear to

make is that a more radical policy agenda (which would include controls over capital at national and supranational levels) is simply unavailable under current conditions, and that in any case policy makers would just give it a wide berth. Instead, their approach is to begin not with what needs be done but with what policy makers might actually be willing to do.

A key aim of the book was to analyse the diversity of institutional forms across the seven countries. They conclude with a common set of structures, which does not imply 'an overall convergence, but a redefined diversity' (p.250). Exactly what this means is not developed, given that a standard set of polices are suggested and we are offered just one route to competitiveness through the high skill/knowledge economy. Furthermore one cannot help forming the distinct impression that when it comes to economic supremacy the authors are already backing the US model (notwithstanding the social problems they see as accompanying it) to win out over its corporatist European rival. Not surprisingly then they have concluded that those who seek to change the world must begin by asking what will and will not play out with policy makers in the Anglo-US context. The result is a massive scaling down of the policy recommendations which then appear dwarfed by the magnitude of problems they would need to address.

The problem for academics, at least in the UK, is that we have become seduced by the policy makers' agenda. Perhaps due to the promise of influence and funding following two decades of exclusion during the Conservative years, alternative radical policies find themselves increasingly marginalised and silenced. The narrowing of the agenda, the focus on US policy initiatives, the attempts to spread the Anglo-Saxon model to continental Europe are all taking place, even if it is without the explicit acceptance of the underlying philosophy (see Coates and Hay 2000). As a result of the focus on the US, the down-playing of the past success of social democratic models, and the current pessimism in relation to today's performance, our debate with policy makers increasingly takes place on their terms and conditions and in accordance with their prejudices. Thus, academics are helping to provide 'evidence-based research' so the government can implement policies for a knowledge economy or a learning society, knowing that those policies will make very little difference, and certainly will not address the real social and economic problems confronting the UK economy.

Similarly the role of education is increasingly viewed as playing a purely functional role for capitalism. There is no broader conception of what education and training should or could be about, merely how to gain pay-offs to firms or reduce the number of teenage pregnancies. It need not have been like this. The authors could have championed a more radical, emancipatory vision of a learning society. By broadening their horizon beyond the economic and locating the learning society within a framework of 'education for democracy' and social justice, they could have stressed the need to raise educational opportunities and knowledge levels throughout society in ways that provide *all* learners with a *critical* insight into the world of work, community and self (see Avis *et al.* 1996, Ranson 1994).

Crouch *et al.* recognise the current political and economic framework and the limitations this places on their own policy proposals. We believe that they are too accepting of the status quo and, as a result, are extremely conservative about the potential for change. Developing an alternative set of policies is difficult and requires a shift in the ideological arena within which academics are currently debating. A further dilemma, which is not presented in the book, is how as academics we can 'speak our minds' without becoming marginalised. We would argue that little can be gained by pandering to policy makers own prejudices and agendas, and allowing them to fix the terms of the debate. We need to step outside these boundaries to explore a new definition of the problem and new possibilities for action. This is why this book is so disappointing, as it offered a clear opportunity to challenge the existing political consensus and provide some substantial contribution to developing a new agenda. Instead we are left with the same old polices of more information, more education and best practice.

This paper is not an attempt to provide an alternative set of policies but to argue that we should at the very least assume the possibilities that an alternative exists. The task before us is to attempt to deal with the analytical and theoretical issues that we have outlined in this paper. It is a plea for a much more systematic focus on skill, what it means and how is it changing, what kinds of society and economy are possible within the limitations of advanced capitalism and within specific nation states, and how do product strategies, labour markets and skill really interact? This would require theorising what the authors' claim to have provided, namely 'a political economy of skill'. Even before developing a set of policies, it is essential to evaluate what can be done to enable more radical options to be proposed

and implemented. In this sense, moving towards a new policy agenda cannot be separated from the task of working towards a new political agenda. Accepting the current policy makers' position is to relinquish the pro-active and radical role that academic research can play within society. As Ginsburg *et al.* wrote about making the case for full employment policies.

> As intellectuals, we have a special responsibility… By dispelling economic dogmas and providing feasible programs, they [intellectuals] may inspire others to work for what they thought was hopeless. (1997:28-9)

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