

## CHAPTER EIGHT

# Enterprise Culture

## AND THE Rise

### OF THE Entrepreneurial Self

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#### INTRODUCTION

The notion of 'enterprise culture' emerged in the United Kingdom as a central motif in political thought under Margaret Thatcher's administration and continued in modified form under Tony Blair and New Labour. In Thatcher's neoliberalism, the promotion of the entrepreneurial self represents a shift away from the Keynesian welfare state to notions upheld by the neoliberal state. The move was a profound cultural shift, from a rights-based welfare model of the citizen to a deliberate attempt at cultural restructuring and engineering based upon the neoliberal model of the entrepreneurial self—a shift characterized as a moving from a 'culture of dependency' to one of 'self-reliance.' On this model, the citizen-consumer, based on the rejuvenation of *homo economicus*, positions the individual to calculate the risks and so invests in his/herself at critical points in the learning life cycle. In education this shift takes the form of the 'enterprise education,' together with the associated 'enterprise curriculum.' Utilizing a Foucauldian perspective, this chapter analyzes 'the generalization of an "enterprise form" to all forms of conduct' and the way in which the promotion of enterprise culture has become a style of governance characteristic of both neoliberalism and Third Way politics (Burchell, 1993, p. 269).

This chapter focuses upon a 'new prudentialism' in education that focuses on an entrepreneurial self that 'responsibilizes' the self to make welfare choices based

on an actuarial rationality. It is a form that seeks to 'insure' the individual against risk, since in this instance the State has transferred this risk to the individual. Such moves constitute new types of subjectivity—nothing less than what/how we become human beings. This chapter focuses on a more limited objective; that of tracing difference in social prudentialism in education and the shift in forms of social insurance through education from one welfare regime to another.

First, the chapter provides an introduction to an analysis of the 'risk society,' emphasizing the way in which risk management has become a form of social regulation and policy development in education. This begins by focusing on the theme of the 'responsibilizing of the self' as one of the distinctive means of neoliberal governance of welfare and education—a theme referred to as the development of the 'entrepreneurial self.' Second, the chapter provides a brief analysis of Foucault in relation to the Kantian tradition to outline the theoretical approach adopted. Third, the chapter develops a notion of actuarial rationality in relation to the different styles of risk management characterising the provision of public services in the welfare state on the one hand and the neoliberal state, on the other. The chapter examines this form of governance more fully through the rise of enterprise culture and enterprise education during the Thatcher years. It also suggests that this form of neoliberal thinking underlies New Labour policies and Third Way politics. Finally, the chapter utilises Foucault's notions of governmentality and the ethics of self-constitution, as a basis to explore dimensions of the entrepreneurial self and a new prudentialism in education and the emergence of the self-consuming 'citizen-consumer.'

## EDUCATION, RISK AND SOCIAL REGULATION

If anything, the original thesis concerning the 'risk society' articulated by Ulrich Beck (1992) has taken on a new imperative after 9/11, especially in relation to questions of security at all levels—national, personal and institutional. This is clearly evident in the growth of risk management and risk management education programs, especially since the perceived growing vulnerability of public institutions like schools. Some schools in the USA, for example, have introduced security systems based on the latest iris-recognition technology. Beck was the first to put the notion of risk on the sociological agenda focusing on environmental, health and personal risk. The transition for Beck is not from 'industrial society' to 'post-industrial' or 'post-modern society' but to 'risk society' where the driving logic is no longer class politics as an organising principle, but rather socially manufactured risk and risk management. No longer are inequalities of wealth and income paramount (although such inequalities remain), the chief problems are now environmental hazards,

which cut across traditional inequalities. As he explains: 'Risk may be defined as a systematic way of dealing with hazards and insecurities induced and introduced by modernization itself' (Beck, 1992, p. 21). He elaborates: 'In contrast to all earlier epochs (including industrial society), the risk society is characterized essentially by a lack: the impossibility of an external attribution of hazards. In other words, risks depend on decisions, they are industrially produced and in this sense politically reflexive' (Beck, 1992, p.183). In 'risk society' Beck argues societal courses of action or policies based on calculated risk have been deliberately taken based on the assumption and paradigm of our technological mastery over nature. While Beck coined the term, Giddens (1990; 1991) usefully relates the analysis of 'risk' to the concept of 'security.' Modernity for Giddens is a double-edged process for while it has greatly increased individual choice (and freedom) it has done so at a cost which points not only to the 'globalisation of risk' (such as nuclear war or changes in the international division of labour) but also in terms of 'institutionalised risk environments,' that is, new risks arising from the nature of modern social organizations.

In the field of education, there has been also some talk of 'risk.' Arguably, notions of 'at-risk youth' and 'nation at risk' predate Beck's and Giddens' uses of the term. 'Nation at Risk' was the title that the US National Commission on Excellence in Education set up by the Secretary for Education, T. H. Bell, under the chairmanship of David Pierpont Gardner, in 1981. The Commission choose to point to a new 'Imperative for Educational Reform' (its subtitle). The risk is conceived as a national one, calculated against the future of America's pre-eminence as a world leader both economically and technologically. It is a multinatured risk that places an onerous burden on education as the basis for the nation's future economic and technological competitiveness.

Our Nation is at risk. Our once unchallenged pre-eminence in commerce, industry, science, and technological innovation is being overtaken by competitors throughout the world. This report is concerned with only one of the many causes and dimensions of the problem, but it is the one that undergirds American prosperity, security, and civility. We report to the American people that while we can take justifiable pride in what our schools and colleges have historically accomplished and contributed to the United States and the well-being of its people, the educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a Nation and a people. What was unimaginable a generation ago has begun to occur—others are matching and surpassing our educational attainments (<http://www.ed.gov/pubs/NatAtRisk/risk.html>).

The report focuses on the competitive element comparing the US in terms of efficiency to Japan, South Korea and Germany in producing capital goods. The risk is perceived as being not only tied to loss of position in the production of strategic goods but also the 'redistribution of trained capability throughout the globe' that this signifies. The report goes on to emphasise an early view of the knowledge econ-

omy and the crucial role of education within it, stressing concepts of ‘excellence’ and the ‘learning society’:

Knowledge, learning, information, and skilled intelligence are the new raw materials of international commerce and are today spreading throughout the world as vigorously as miracle drugs, synthetic fertilizers, and blue jeans did earlier. If only to keep and improve on the slim competitive edge we still retain in world markets, we must dedicate ourselves to the reform of our educational system for the benefit of all—old and young alike, affluent and poor, majority and minority. Learning is the indispensable investment required for success in the ‘information age’ we are entering (<http://www.ed.gov/pubs/NatAtRisk/risk.html>).

Fifteen years later in 1998 the same rhetoric is revived in a document entitled *A Nation Still at Risk: An Education Manifesto* (<http://edreform.com/pubs/manifest.htm>) signed by Jeanne Allen (President of The Center for Education Reform) and thirty-five prominent Americans, including school superintendents, US Department of Education officials, businessmen, members from State House representatives, education commissioners, charter schools project managers, university staff, researchers and policy analysts from thinktanks (like Diane Ravitch from the Brookings Institute), and leaders of various project supporting ‘standards’ and ‘excellence’ in education.

The risk posed to ‘tomorrow’s well-being’ by ‘educational mediocrity’ is now defined as ‘economic decline’ and ‘technological inferiority.’ The Report reads: ‘Large numbers of students remain at risk. Intellectually and morally, America’s educational system is failing too many people.’ The Report suggests the Excellence Commission had the right diagnosis but was naïve as to the cure. ‘The real issue is power,’ the Report advises and the way the ‘power-brokers’ and ‘bureaucrats’ hold on to power. It goes on to state: ‘It should now be clear to all that the era of the big-government monopoly of public education needs to end . . . ‘The nature of the risk is spread by a failed public system of education that penalises ‘children of the poor and minorities.’ The guiding principles and strategies for changes are clear: public education must be deregulated; it must staffed and delivered in new ways; ‘a vast transfer of power is needed from producers to consumers’; ‘There must be an end to paternalism; the one-size-fits-all structure; and the condescending, government-knows-best attitude. Every family must have the opportunity to choose where its children go to school’; but in order to exercise their power wisely ‘education’s consumers must be well-informed about school quality.’ The main renewal strategies mentioned are: ‘*standards, assessments and accountability*’ on the one hand, and ‘*pluralism, competition and choice*,’ on the other (italics in original).

The document proceeds to outline the risk management regime for the US education system in terms of ‘ten break-through changes for the 21st century’ including the now familiar, ‘national academic standards,’ ‘standards-based assessment’ and

'tough accountability systems,' alongside 'school choice,' charter schools, deregulated teacher force, differential teacher pay systems, and 'essential academic skills.' Policy observers and practitioners in the United Kingdom will recognise much of the rhetoric and the national risk management strategy as that of the Blair administration's approach to education policy in its second term and as reflecting more generally the change of ethos in public service philosophy and provision.

### RISK MANAGEMENT AND ACTUARIAL RATIONALITY: FROM WELFARE STATE TO CULTURES OF CONSUMPTION

The elements of the programme of risk management can be described in terms of the shift from the Keynesian welfare state and compulsory social insurance to neoliberalism (or culture of consumption) and a form of private insurance constructed through choice. Within this new regime (re/de)regulation represents an intensive juridification—a legal liberation and optimism based upon confidence in rules. On this model the well-governed society is committed to the coherence of a framework of rules, that is, a codification, where the government increasingly steps back from actual involvement in state activities, now devolved to agencies, institutions or regions. Government assumes the metaposition of rule maker. In this political environment the economic, the constitutional and the legal or juridical forms of advanced liberalism overlap in the construction of the citizen-consumer. Increasingly, alongside the 'empowerment of consumers'—simultaneously their individualisation and their responsabilization—is the belief in the efficacy of rules and the distrust of expert knowledges. These knowledges (and discourses) grew up with the welfare state—evident in the 19th century census as an instrument of governmentality—and began to exist increasingly independent of the state. Neoliberalism, considered as a risk management regime, involves the distrust of expert knowledges, especially those traditionally involved with the welfare state such as social workers and teachers. Under neoliberalism there is a shift to the creation of a uniform structure of expert knowledges based on the calculating science of actuarialism and accountancy ('the audit society'). 'The social' is promoted as that which is capable of being governed—traditionally, the regulation of 'the poor' and 'pauperisation.' 'Work' and 'unemployment' have become fundamental modern categories of social regulation.

In this sense neoliberalism can be seen as an intensification of moral regulation based on the radical withdrawal from government and responsabilization of individuals through economics and it emerges as an actuarial form of governance that promotes an actuarial rationality through the encouragement of a political regime of ethical self-constitution as consumer-citizens. 'Responsibilization' refers to mod-

ern forms of government of the self where individuals are called upon to make choices about lifestyles, their bodies, their education and health at critical points in the lifecycle—birth, ‘starting school,’ ‘going to university,’ ‘first job,’ marriage, retirement. ‘Choice’ assumes a much wider role under neoliberalism: it is not simply ‘consumer sovereignty’ but rather a moralisation and responsabilization—a regulated choice-making transfer responsibility from State to the individual in the social market. Its specific forms have entailed a tearing up of labour law under the welfare state and an emphasis upon more privatised forms of welfare often involving tougher accountability mechanisms and security/video surveillance. The ‘risk society’ is put in place through actuarial mechanisms and there is an emphasis on all forms of insurance as a means of reducing risk to the individual (in areas of employment, education, accident, security, retirement). In one sense, this is the primary link between government and the government of the self, which is promoted in its relation to choice making through cybernetic and information systems. Neoliberalism has a suspicion of autonomous forms of self-regulation. Actuarialism is a mobilisation of one predominant structure of expert knowledge and an interrogation of the autonomy, which accompanies other expert knowledges of teachers, social workers (traditional forms under the welfare state). Prudentialism refers to the new form of insurance against risk, which is ‘forced’ onto individual as consumers in the social market. The mode of ‘forced choice’ which encourages a ‘responsibilization’ Peters calls ‘actuarial rationality’ as in making consumer choices concerning education as a service individual consumers in effect become actuaries calculating the risks of their own self-investments.

In this view modernity is characterised by a statist view based on contract. Keynesian welfarism is an interlude before returning to a form of statism and its distinctive forms of legal regulation involving a recontractualization of social relations through the market, but not simply a two-party (buyer/seller) contract but rather a juridification of society in, for example, a contractualization of the university based on user fees and privatised student loans where the issue becomes ‘are students (or parents or funders) getting their money’s worth?’ This contractualization mirrors legal forms, that is, a proceduralization requiring notification, complaint in writing, personal redress, etc., presupposed in the move to a litigation model.

The regulation of risk takes place through insurance and the responsabilization of the individual consumer who increasingly is forced to become responsible for one’s own safety, health, employment and education. We might call this a prudentialization of social regulation—we are made to be prudent (as part of a wider moral discourse) and risk management of the social hazards facing us in modernity is based on the self-constituting prudential citizen under economic and contractual conditions.

## EIGHT. ENTERPRISE CULTURE AND THE RISE OF THE ENTREPRENEURIAL SELF | 161

Much of the change of regime emphasizing risk, while not always properly theorized, has been usefully taken up in the UK by an ESRC (Economic and Social Research Council) research programme entitled 'Cultures of Consumption' (see: [www.consume.bbk.ac.uk](http://www.consume.bbk.ac.uk)). The Executive Summary for the programme begins:

Consumption has returned to the centre of public affairs, government policy making, and intellectual life in recent years, In Britain as well as more globally. Consumption and related issues of consumers' rights and interests, consumer culture and consumer policy inform today [sic] major debates about the future of democracy and the nation-state, wealth and welfare, economic governance, the role of new technologies and the environment, and the changing relationship of commerce and culture in contemporary societies. (See revised specification at: <http://www.consume.bbk.ac.uk/about.html>).

The AHRB/ESRC research programme contextualizes itself by reference to the UK government's White Paper released in 1999. In his Foreword, the then Secretary of State for Trade, Stephen Byers, asserted that in putting consumers centre stage the government had recognised 'for the first time that confident, demanding consumers are good for business.' The opening up of global markets and the spread of electronic commerce bring opportunities and challenges for consumers and for business. In its White Paper, *Modern Markets: Confident Consumers*, the Government has set a new agenda:

- to promote open and competitive markets
- to provide people with the skills, knowledge and information they need to become demanding consumers
- to encourage responsible businesses to follow good practice
- to avoid burdening those businesses with unnecessary regulation
- to protect the public from serious trading malpractice and unsafe products.
- The White Paper will benefit all consumers but the Government will focus in particular on the needs of those with less developed consumer skills, those who are socially excluded and those on low incomes who can least afford to make a bad purchase. (<http://www.dti.gov.uk/consumer/whitepaper/overview.htm>).

Clearly, the White Paper presages issues concerning Third Way policy concerning the consumer as a new social actor in the PFI (Private Finance Initiatives), public/private partnerships that are now redesigning consumer-driven public services and attempting to encourage a better alignment between consumption and citizenship. These consumer-driven public services signify the end of one-size-fits-all and large monolithic institutions and the move towards smaller, more flexible customised public services with also greater public accountability harnessed to a set of more workable democratic relationships between the market, consumer advocacy, and public policy.

Much of what shapes education policy finds its general parameters within the shifting regime of social regulation based on the quasimarket and the neoliberal forms of the so-called social market that is strongly favored by Third Way politics. At the same time it is important to recognise implications of neoliberal governmentality characterizing Third Way policies in a variety of policy initiatives including 'professional learning communities,' the emphasis on assessment in teacher education, 'developmentally appropriate' practices, inclusion, school report cards, data-driven management and forms of managerialism.<sup>1</sup> It is also evident in the concept of enterprise culture and the promotion of entrepreneurialism per se that permits a range of public private partnerships (PPP) in the funding of new schools in Britain and a host of schemes revolving around 'education for work' and the new vocationalism.

Thus, Frank Trentmann examining new perspectives on consumption that go 'beyond consumerism' and the received view based on 'the definition of an acquisitive individualist mentality as the defining feature of modern consumer behaviour and, since this originated in the West, a view of expansion that looks from the epicentre (West) outwards.' (Trentmann, 2002, p. 6). The acquisitive model of consumerism which forms the basis of traditional left-wing approaches such as the Frankfurt School's research into mass society or Horkheimer and Adorno's investigation of the culture industry, as Trentmann argues, tends to rule out a priori or to obscure the politics of consumption where 'new sites of consumption,' for instance, 'offered opportunities for an emancipation of the self' (p. 7) (especially for 'middle-class women [who] defined a new sense of bourgeois feminine identity,' p. 18) or modes of consumption which do not centre on the purchase of goods. Trentmann suggests that 'consumption in the late twentieth century has become as much about services, experiences, and citizenship as about the acquisition of goods' (Trentmann, 2002, p. 9). Trentmann also draws attention to the fact that historians (and social scientists more generally) have been slow to investigate 'the changing interface between politics and consumption' (Trentmann, 2002, p. 22), which is particularly ironic given the significance of the shift from production to consumption in understanding advanced liberal societies for New Labour and third Way politics. Trentmann usefully offers a corrective to methodological assumptions that favour the individual as the core of modern consumer society. Both economic historians, operating with the neoclassical notion of the rational utility maximiser, and culturalists (sometimes poststructuralists) tend to operate with such deeply individualist explanations that often prevent an understanding of when 'consumption has been a political site for collective mobilisation concerning civil society, democracy, and global justice' (Trentmann, 2002, p. 23). This criticism is valid, although at the same time we must remember that predominant modes of economic analysis and of policy development have been framed in terms of neoclassical economic theory



that works from the revival of *homo economicus* with its assumptions of rationality, individualism, and self-interest. Thus while collective behaviour is not ruled out, the tendency at both the level of analysis and policy has been to encourage understanding of collective behavior in terms of simple aggregation. It is no wonder that social science and the humanities should note and follow these tendencies.

### NEOLIBERAL GOVERNANCE OF WELFARE AND EDUCATION: RESPONSIBILIZING THE SELF

The prevalence of the doctrine of the self-limiting state in many Western states, including the United Kingdom, has manifested itself in terms of neoliberal welfare and education policies through an intensification of moral regulation rather than through an overall reduction of levels of welfare and education spending in real terms. During the 1980s the United Kingdom and other English-speaking countries saw the reduction of the state's trading activities enacted through privatization programs and the 'downsizing' of the public sector. This neoliberal limiting of the State's role decreased its power to mediate in the market to achieve the traditional welfare goal of full employment or of equality of opportunity in education. Precisely at the point when neoliberals were attempting conceptually to remoralize the link between welfare and employment and to 'responsibilize' individuals for investing in their own education, neoliberal governments began to dismantle arrangements for State arbitration in the labor market, substituting individualized employment contracts, and exposing workers to the vagaries of the market. This policy move must be mapped against the growth of a recalcitrant and permanent underclass, of those who are structurally disadvantaged in terms of access to an increasingly specialized and highly segmented labor market. Intergenerational unemployment now seems an entrenched feature of most Western states, with both a femininization and a casualization of the labor force and, often, high rates of youth unemployment, especially in depressed urban areas. Many commentators have discussed the potential de-skilling effects of the new information technologies and the redundancy of the unskilled, the semiskilled, and manual laborers in face of greater computerization and automation of both blue-collar work and service industries.

At the same time, there has been a cumulative shift in the tax burden away from corporations toward individual wage earners. Indirect forms of taxation (such as a goods and services tax) and the flat tax structure introduced by some OECD countries have ended up favoring corporations and high-income groups at the expense of low- to middle-income groups. The shift to indirect forms, particularly consumer taxes, is seen by policymakers as a way to retain revenue levels in face of an ageing

population and labour force. This move has both politicized and encouraged political support among different constituencies, notably among middle-income earners, for policies designed to reduce levels of income tax—in fact, more broadly, for viewing a high income-tax level as undue state interference—in exchange for a privatized welfare system in which individuals, through user charges, vouchers, and forms of personal insurance, are forced to take care of themselves. The state has only been able to begin the process of writing itself out of its traditional responsibilities concerning the welfare state through twin strategies of a greater individualization of society and the responsabilization of individuals and families. Both are often simultaneously achieved through a greater contractualization of society, and particularly by contracting-out state services.

A genealogy of the entrepreneurial self reveals that it is the relationship, promoted by neoliberalism, that one establishes to oneself through forms of personal investment (for example, user charges, student loans) and insurance that becomes the central ethical component of a new individualized and privatized consumer welfare economy. In this novel form of governance, responsabilized individuals are called upon to apply certain management, economic, and actuarial techniques to themselves as subjects of a newly privatized welfare regime. In this context Burchell's remark made in the context of a Foucauldian analysis of neoliberalism that an 'enterprise form' is generalized to all forms of conduct and constitutes the distinguishing mark of the style of government, could not be more apt (Burchell, 1996, p 275). At one and the same time enterprise culture provides the means for analysis and the prescription for change: education and training are key sectors in promoting national economic competitive advantage and future national prosperity. They are seen increasingly as the passport for welfare recipients to make the transition from dependent, passive welfare consumer to an entrepreneurial self. In the past, so the neoliberal argument goes, too much emphasis has been placed on social and cultural objectives and insufficient emphasis has been placed on economic goals in education systems. Henceforth, the prescription is for greater investment in education and training as a basis for future economic growth. Such investment in human skills is underwritten by theories of human capital development and human resources management. The major difference from previous welfare state regimes is that education, increasingly at all levels but more so at the level of tertiary education, is no longer driven by public investment but, rather, by private investment decisions. The uptake of education and training grants by able-bodied welfare recipients, especially women who are single parents, now becomes mandatory after a given period within countries where neoliberal policies have been adopted, in what some see as a shift from a welfare state to a Schumpeterian workfare state.

The rigidity of the distinction between the private and the public has broken down: commercial and private enterprises exist within or in partnership with many 'public' education institutions. Human capital theory is rejuvenated in a privatized rather than statist or public form. The neoliberal state has worked to make individual choice in the tertiary education market the overriding operative principle. Its aim has been to increase diversity—a prerequisite for choice—by abolishing the differences in the missions of the various institutions comprising the tertiary sector and to move to a fully consumer-driven system in which state funding is distributed to individual students by way of entitlements or vouchers rather than to the institutions or 'providers' themselves.

Under neoliberalism, questions of national economic survival and competition in the world economy have come increasingly to be seen as questions of cultural reconstruction. The task of reconstructing culture in terms of enterprise has involved remodeling public institutions along commercial lines as corporations and has encouraged the acquisition and use of so-called entrepreneurial qualities. Thus, and in accordance with this new discourse, both the welfare state and education systems have been criticized for leading to a 'culture of dependency.' It is against this general background that neoliberal states have abandoned the traditional goals of the universalist welfare state of equality and participation based on social rights in favor of a reduced conception of a 'modest safety net' based on targeting social assistance and institutionalizing user charges for social services. In addition, in some OECD countries there have been substantial cuts in welfare benefits, a tightening of eligibility criteria, the introduction of means testing, and a shift toward an increase in policing and surveillance by the state through the development of new information systems to reduce benefit fraud. This process has been referred to as the emergence of a 'shadow' state: the privatization of welfare through contestability of funding and the contracting out of welfare provision to the nongovernmental informal sector comprised of church-based groups, charity organizations, private foundations, and trusts which, increasingly, minister to the 'poor' and the 'disadvantaged' according to set criteria and performance targets.

Above all, the theme of 'responsibilizing the self,' a process at once economic and moral, is concomitant with a new tendency to 'invest' in the self at crucial points in the life cycle and symbolizes the shift in the regime and governance of education and welfare under neoliberalism. Risk and responsibility have been thematized in new ways. There has been a shift from a disciplinary technology of power, first, to welfarism—to programs of social security as governmentalized risk management and to new forms of actuarial or insurance-based rationalities—and, second, to new forms of prudentialism (a privatized actuarialism) where risk management is forced back onto individuals and satisfied through the market. O'Malley comments 'Within such prudential strategies, then calculative self-interest is articulated with

actuarialism to generate risk management as an everyday practice of the self' (O'Malley, 1996, p. 200). The duty to the self—its simultaneous responsabilization as a moral agent and its construction as a calculative rational choice actor—becomes the basis for a series of investment decisions concerning one's health, education, security, employability, and retirement. The responsabilization of the self and its associated new prudential strategies go hand in hand with two related developments: a substitution of 'community' for 'society' and the invention of new strategies for government through information. The first development is significant because it implicitly recognizes a theoretical weakness in the strict neoliberal model of social policy based upon the market alone. Although they do not want to reinvent society (as government has been 'reinvented'), neoliberals want to substitute some notion of 'civil society' for the welfare state under the metaphor of community, where civil society means an association of free individuals based on self-rule. The second line of development issues from the new opportunities for state surveillance and control that accompany the growth of information and communications technologies. In one sense, this can be seen as 'government without enclosures' or 'government within an open system' (see Deleuze, 1995), which promotes more intensified visibility of both private and public spaces than ever before. Such unprecedented high levels of visibility are established through the new security and policing uses to which the video camera has been put in streets, malls, security systems within buildings, and the like and the advent of computerized citizen data, in the forms of 'information sharing' across separate government departments and the development of so-called smart card technology for specific purposes (for example, welfare recipients) or for more general 'governmental' purposes (for example, community cards). Information sharing and the application of new smart card technology have been applied to welfare 'problems' of benefit fraud and state calculation of welfare benefits and entitlements. This movement toward greater control under the theme of responsabilization of self is also seen in a new customized relation (a niche-market welfare) promoted between welfare officers who handle case loads and recipients. This involves risk-based targeting of services and the shift from an emphasis on a relationship based on professional authority (e.g., therapist, counselor, etc.), to an emphasis on self empowerment and self-help based on training, education, and the development of 'personal skills.' Increasingly, government strategies signal a shift in orientation from welfare to well-being through the promotion of self-reliance involving marketlike incentives in the redefinition of benefit regimes and governmentality associated with forms of 'investment' in at-risk children and families.

Neoliberalism represents a continuing critique of state reason; its governance of welfare and education consists in some strategic innovations in reconceptualizing the exercise of power, most notably the ideas of the responsabilization of the self effected through a series of marketlike arrangements. These new arrangements pro-

vide an increasingly accepted social recipe for individualizing the social by substituting notions of civil society, social capital or community for state. At the same time, however, they carry the combined dangers, on the one hand, of pathologizing and stigmatizing those who are structurally excluded from the labor market, and on the other, of weighing down with debt—of prematurely mortgaging the future lives of—the next generation. The full social consequences of instituting a neoliberal welfare system that individualizes and privatizes current welfare and education by deferring payment to the next generation via loans, user charges, forms of self-investment, and insurance schemes are yet to be investigated.

The theme of the ‘responsibilization of the self’ both in the governance of education and welfare and especially as a means for encouraging an enterprise society has been prominent in Third Way politics, even though neoliberal principles have been reworked within a different economic context. In the UK, New Labour’s Third Way in an effort to hold on to the so-called radical centre places a great deal of emphasis on the economy and work as fundamental to the concept of citizenship. Indeed, through the concept of the ‘knowledge economy’ which served as the pivot for the Competitiveness Report, New Labour legitimizes the concepts of lifelong learning and entrepreneurship aimed at the production of flexible workers and the combined notions of ‘education for work’ and ‘enterprise education’ (see Peters, 2001). There is little doubt that New Labour remains committed to the principles of the neoliberal global economy based on protecting multinationals and extending free trade. In domestic economic policy the Blair government seems intent on privatizing public services such as railways and traffic control and introducing parallel forms of privatization in health and education through the contracting out of services or the creation of quasimarkets. Bryan Turner (2001) in his discussion of the erosion of citizenship and especially the impact of forces of globalization on the weakened nation-state, clearly indicates that high levels of economic participation mask a real change in the nature of the economy and obscures a transition from old to new welfare regimes. The new economic regime is based upon monetary stability, fiscal control and a relation in government regulation of the economy. In this new economic environment, one version of the Third Way strategy involves, not protecting individuals from the uncertainties of the market that had dominated welfare strategies between 1930 and 1970, but helping people to participate successfully in the market through education (lifelong learning schemes), flexible employment (family-friendly employment strategies) and tax incentives.

It seems clear that New Labour will seek to extend the neoliberal emphasis on enterprise culture in education as in other areas of society. Fairclough notes: ‘The equivalence between country, nation, and business goes with a positive construction of business’ (Fairclough, 2000, p. 33). Some commentators suggest that New Labour is fascinated with the glamour of business. The ‘enterprise culture’ was a central

theme of the Thatcher Government in the 1980s. It seems that New Labour is taking over Thatcherite discourse in this as in other respects. In his speech to the South African parliament in January 1999, Tony Blair said that ‘we need [a] culture of enterprise,’ and the White Paper on competition calls for an ‘enterprise culture’ and an ‘entrepreneurial culture.’ The general idea that governments should seek social change through shifting ‘culture’ (implying an engineering of people’s culture from above) has been taken over from the Tories, as too has the glorification of ‘enterprise’ . . . Tory initiatives to develop ‘entrepreneurial skills’ in school children are also being extended. To understand this emphasis on ‘enterprise culture’ we must go back to study its development through the Thatcher years.

### THE RISE OF ENTERPRISE CULTURE AND ENTERPRISE EDUCATION

A notable feature of the early 1990s was the way in which the emphasis on the introduction of the new technologies has given way to a more general discourse that represents issues of economic and institutional reform in cultural terms (Keat and Abercrombie, 1991). In the case of Britain, questions of national economic survival and competition in the world economy came increasingly to be seen under the Conservative governments of Margaret Thatcher and John Major as questions of cultural reconstruction. According to Keat and Abercrombie, the idea of an enterprise culture ‘emerged as a central motif in the political thought and practice of the . . . government’ (Keat and Abercrombie, 1991, p.1). The task of constructing such a culture has involved remodeling institutions along commercial lines and encouraging the acquisition and use of enterprising qualities. Keat and Abercrombie see the ideological function of the political rhetoric of enterprise as a particular interpretation for making sense of the kind of economic and cultural changes that have been described under the banners of postindustrialism, the information society, post-modernism, and post-Fordism.

Morris (1991) traces the genesis and development of the concept of enterprise from its beginnings in the thinking of the Centre for Policy Studies in the link between Christianity and the ‘new Conservatism’ and in the work of Lord Young. He distinguishes three phases, the latest of which he christens ‘partnership in cultural engineering.’ This phase, which represents a massive cultural reconstruction, has concerned policies involving ‘unprecedented government intervention in education (at all levels)’ (Morris 1991, pp. 34–35). By contrast Schwengel provides a snapshot of a more liberal German concept than the British emphasis on enterprise. *Kulturgesellschaft* has a softer focus, containing a utopian element that also attempts to provide ‘a framework for cultural change beyond corporatist state regulation’ (Schwengel, 1991, p. 42). The emphasis on cultural solutions to the problems of the

1990s is worth mentioning here. *Kulturgesellschaft* is based on 'promoting direct and early interaction between economy and culture' (Schwengel, 1991, p. 42). Unlike enterprise culture it relies on public sector leadership.

*Kulturgesellschaft* seems to mark a middle way between the 'soft' debate on aesthetic modernism and postmodernism, and the 'hard' debate on internationalist post-Fordist competition in the world market, ecological crisis and the dramatic risks of a class war between the north and the south (Schwengel, 1991, p. 139).

Hence, the emerging German solution also focuses on a cultural answer to the issues of rapid technological change and the structural dominance of the service sector. It is, however, less directly ideological and gives more space to the public sector. In an illuminating passage, Schwengel writes:

We may have a post-Fordist theory of production, technology and consumption; we may understand the change from organized capitalism to disorganized institutions of regulation; we may understand the transformation of modernist texture into post-modernist figuration. But we have no alternative, political symbolic center as a necessary fiction. A new theory of modernization, which will be one of the most decisive intellectual battlefields between the right and the left in the 1990s, has explicitly to conceptualize the difference between social modernization and political modernity. The discourses of enterprise culture and *Kulturgesellschaft* are already providing arguments for both sides (Schwengel, 1991, p. 148).

These debates also became important in New Zealand during the 1990s. The Porter Project (Crocombe et al. 1991), for instance, focused very clearly on the notion of enterprise culture and the way in which the remolding of the education system is necessary to this end. The Minister of Education (Lockwood Smith) also picked up on this theme, commenting on the way 'imperatives of the modern world require a new culture of enterprise and competition in our curriculum' (Smith, 1991, p. 8). In the New Zealand context this kind of rhetoric had, to a large extent, both grown out of and been supplemented by a Treasury-driven emphasis on notions of consumer sovereignty and contestability. The concept of consumer sovereignty provides a particular interpretation of the link between subjectivist theories of values and the market that does not respect the integrity of cultural practices in the public domain. Keat makes the following apposite remark:

The judgements made by democratic citizens are not regarded, at least in theory, as mere expression of personal preferences, but as resulting from a certain kind of critical engagement with the issues involved in the political sphere. But this is something that requires the acquisition and exercise of a number of skills and capacities, and hence also the availability of a wide range of cultural resources that provide, as it were, the necessary basis for relevant forms of 'educative experience.' There is thus a crucial role for certain cultural practices in contributing to this process, whose significance is itself at odds with any purely subjective theory of values (Keat, 1991, pp. 228–29).

Clearly, education has emerged as one of the newest starships in the policy fleet of governments around the world. The choice of metaphor is not entirely frivolous. Education has come to symbolize an optimistic future based on the increasing importance of science and technology as the engine of economic growth and the means by which countries can successfully compete in the global economy in years to come. The metaphor also captures and updates the past popular discourse and iconography that surrounded an ideology which motivated US educational reformers in the 1960s during the Sputnik catch-up-with-the-Russians debate, the Reagan era 'Star Wars' scenario of the 1980s, and the more recent Japanese threat to American enterprise. In the era of the 'new world order,' of structural adjustment policies, of international and regional free trade agreements, the focus has shifted away from exploiting fears of imminent destruction in superpower rivalry to the role that education, in conjunction with the new information, computer and communicational technologies, can play in the game of increasing national competitive advantage. The emphasis on possible economic decline in face of international competition and the need to 'catch up' with other nations now occupies center ground. Such a discourse, perhaps, is less naive, optimistic, and forthright than it once was, given the uncertainty of the prospect for continuous economic growth, of its ecological sustainability, and of its democratic potential for redistributing wealth. Yet it is also both more strategic and effective. Alongside economic globalization, there has been massive state asset sales programs, wholesale restructuring of the core public sector, a creeping privatization of health and commercialization of education. In conjunction with these policies enacted during the 1980s there has been, more broadly considered, a deliberate and sustained attempt at cultural reconstruction. At the heart of this attempt is the notion of enterprise culture and the importance of reconstructing education so that it will deliver the necessary research, skills and attitudes required to compete in an increasingly competitive international economy.

The notion of enterprise culture, designed for a postindustrial, information economy of the 1990s, can be seen in poststructuralist terms as the creation of a new metanarrative, a totalizing and unifying story about the prospect of economic growth and development based on the triumvirate of science, technology, and education. This master narrative, which projects a national ideological vision, differs from the social democratic narrative: it does not adopt the language of equality of opportunity, and it does not attempt to redress power imbalances or socioeconomic inequalities. The new neoliberal metanarrative is based on a vision of the future: one sustained by 'excellence,' by 'technological literacy,' by 'skills training,' by 'performance,' and by 'enterprise.'

The code words 'enterprise' and 'enterprise culture' are major signifiers in this new discourse, which emphasizes that there has been too much emphasis on social



and cultural objectives and insufficient emphasis on economic goals in our education system. Henceforth, we must invest heavily in education as a basis for future economic growth by redesigning the system so that it meets the needs of business and industry. The curriculum must also be redesigned to reflect the new realities and the need for the highly skilled flexible worker who possesses requisite skills in management, information handling, communication, problem solving, and decision making. As the metanarrative has grown it has also been transformed to encompass a new emphasis on regional educational standards, portability and transferability of qualifications, performance management of teachers, systems of national testing, and so on.

### THE ENTREPRENEURIAL SELF: THE SELF-CONSTITUTING AND SELF-CONSUMING 'CITIZEN-CONSUMER'

It is not a truism in social science to say that we have passed from a metaphysics of the self as producer, which characterised the era of Left politics and the Welfare State, to a metaphysics of self as consumer, which now characterizes politics on the Right, the neoliberal market economy and the provision of public services. In this shifting metaphysics it is possible to even talk of the symbolic economy of the self and the importance of understanding processes of self-capitalization, self-presentation, self-branding, and self-virtualisation as market processes that simultaneously involve political, ethical, and aesthetic elements.

Self-capitalization refers to decisions to invest in the self, especially where payment typically is undertaken over a period of years such as in advanced degrees often completed part-time. Self-presentation refers to the new emphasis on symbolic goods and the ways in which the ethos of self-presentation prevails in a symbolic economy and depends often on 'skills of self-presentation,' including personal grooming (e.g., hair, face, etc.), personal style, dress, body shape, body language, verbal presentation and increasingly the ability to change one's overall appearance regularly. This is very Goffmanesque although the creation of the self through the purchase of goods and services is given a much clearer market imperative that weighs on an 'aesthetics of self' and evidenced in examples of self-branding, (i.e., branding the self; 'I'm a \_\_\_ person'—substitute Levi, Coke, Gucci, Armani, etc.) self-virtualization (i.e., creation of personal web pages). We might follow Foucault's lead to talk in terms of processes of political, ethical and aesthetic self-constitution through choice-making involving the purchase of goods and services and, in some cases, longer-term investment decisions.

A genealogy of the entrepreneurial self reveals that it is the relationship, promoted by neoliberalism that *one establishes to oneself* through forms of personal

investment (for example, user charges, top-up fees, student loans) and insurance that becomes the central ethical and political component of a new individualised, customised, and privatised consumer welfare economy. In this novel form of governance, responsabilized individuals are called upon to apply certain managerial, economic and actuarial techniques to themselves as new citizen-consumer subjects. Increasingly, under neoliberalism and the Third Way in the UK risk and security management is associated with the new consumer welfare regime where an entrepreneurial self invests in herself—a form of prudentialism—calculating the risks and returns on this investment in her education, health, employment and retirement. This process we describe as both self-constituting and self-consuming. It is self-constituting in the Foucauldian sense of choice-making shaping us as moral, economic and political agents. It is self-consuming in the sense that the entrepreneurial self creates and constructs herself through acts of consumption. Take for instance, the example of a self-investment in an advanced degree undertaken over a period of 4–5 years, where the entrepreneurial self is paying for the degree herself (let us assume £2,000 or \$US 5,000 per year for 5 years). This is an investment in her future and it is made after a process of deliberation, of weighing up a range of factors including future security and employment prospects (a clear form of risk calculation and management). The investment is made in the self—in an activity that traditionally is held to be personally transformative—although it is made over a period of time and its success as an investment requires active participation (“work on the self”) by the subject. Certainly, it differs from the normal acquisitive model of consumerism and one could argue that the purchase of (and investment in) services differs markedly from the purchase of commodities.

The neoliberal regime is, in part, supported by the rise of enterprise culture and what Peters calls ‘enterprise education’ which began under Thatcher’s government (Peters, 2001a). Blair’s Third Way is an attempt to go beyond neoliberalism and its conflation of autonomy with possessive, individualised consumerism and to subordinate the security of the producer to the freedom of the consumer. As Daniel Leighton notes ‘The goal is to save the welfare state but to do so by privileging the efficiency of the private sector and the sovereignty of the consumer’ (Leighton, 2003).

Tony Blair’s speech on public service reform to public sector workers on October 16, 2001, defined the elements of a Third Way programme to remodel the government–citizen relationship along consumer lines:

The key to reform is re-designing the system around the user—the patient, the pupil, the passenger, the victim of crime.

And later in the speech he defines its principles, thus:

## EIGHT. ENTERPRISE CULTURE AND THE RISE OF THE ENTREPRENEURIAL SELF | 173

First, high national standards and full accountability. Second, devolution to the front-line to encourage diversity and local creativity. Third, flexibility of employment so that staff are better able to deliver modern public services. Fourth, the promotion of alternative providers and greater choice.

All four principles have one goal—to put the consumer first. We are making the public services user-led, not producer or bureaucracy led, allowing far greater freedom and incentives for services to develop as users want. (For the full text of Blair's speech see *The Guardian*: <http://society.guardian.co.uk/futureforpublicservices/story/0,8150,575220,00.html>).<sup>2</sup>

The four reform principles—standards and accountability, devolution and diversity, flexibility of employment, and greater choice—define what Catherine Needham (2003) calls 'the consumerisation of citizenship' supported by an increasingly promotional and top-down form of communications, consultation focused on the 'self-regarding individual' without collective discussion, and a form of service delivery based on the combined objectives of maximising 'customer satisfaction and expanding individual choice and competition.' The four principles have a clear resonance with the principles articulated in *A Nation Still at Risk*.

Needham suggests that the government-citizen relationship is replicating patterns of choice and power found in the private economy where the 'consumer is primarily self-regarding, forms preferences without reference to others, and acts through a series of instrumental, temporary bilateral relationships.' She argues that there are limits to the relevance of consumerism to the public sector in that choice may have perverse effects and may be impossible to institutionalise. The most fundamental danger in her eyes is the erosion of democracy and, by contrast, she seeks alternatives in notions of active citizenship, community, coproduction and voluntarism (<http://www.catalystforum.org.uk/pubs/pub10a.html>).

The pressing question is whether Third Way New Labour can go beyond neoliberalism and loaded definitions of freedom in purely consumer terms to revitalise and perhaps, redefine, elements of traditional social democracy: participation and active engagement, access and equality, collective identity and mobilisation, and social justice. In this regard Chancellor Gordon Brown's foray into the discussion of the role and limits of the market in the context of globalisation has helped launch a new debate.

In the BBC4 series *The Commanding Heights: The Battle for the World Economy* (2003) based on the book by Daniel Yergin and Joseph Stanislaw, UK Chancellor Gordon Brown, who heads up the key policy-making IMF committee, told Yergin:

The problem for the Left in the past was that they equated the public interest with public ownership and public regulation, and therefore they assumed that markets were not in the public interest . . . [Markets] provide opportunities for prosperity, but equally they're not automatically equated with the public interest.

He went on to say:

The idea that markets must work in the public interest, the idea that governments have a responsibility for the level of employment and prosperity in the economy, the idea that governments must intervene on occasions—these are increasingly the ideas of our time.

The Chancellor accepts globalisation as a fact of life, but tells Yergin:

The question is, can we manage it in the interests of a few or in the interests, as I want it to be, of all the people of the world.<sup>3</sup>

One of the most defining and controversial features of New Labour's second term is the way it has chosen to respond to the major constraint of underinvestment in public services through its public-private partnerships (PPP) and the private finance initiative (PFI). PPP refers to any private sector involvement in public services including 'contracting out' and transfers of ownership (as in the case of housing). PFI, the most well known form of PPP, refers to the contractualization of public services involving private companies in the provision of public services. Clearly, both forms represent the introduction of entrepreneurial values into public services. In the case of the later technically the risk is transferred from government to private consortia (although this does not discount the possibility of public 'bail outs'). There are also substantial risks to 'citizen-consumers' despite the emphasis on consumer public watch-dogs and provision of consumer information: effectively the process of contractualization and tendering does not involve 'the public' or the 'consumer' in any collective decision-making sense, and yet it mortgages the citizen-consumer to a form of hire-purchase the long-term financial and social costs of which are not often clear. In an age of consumerism, the fundamental question is to what extent, if at all, can the citizen-consumer shape privately funded public services in ways other than through their acts of consumption?

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