

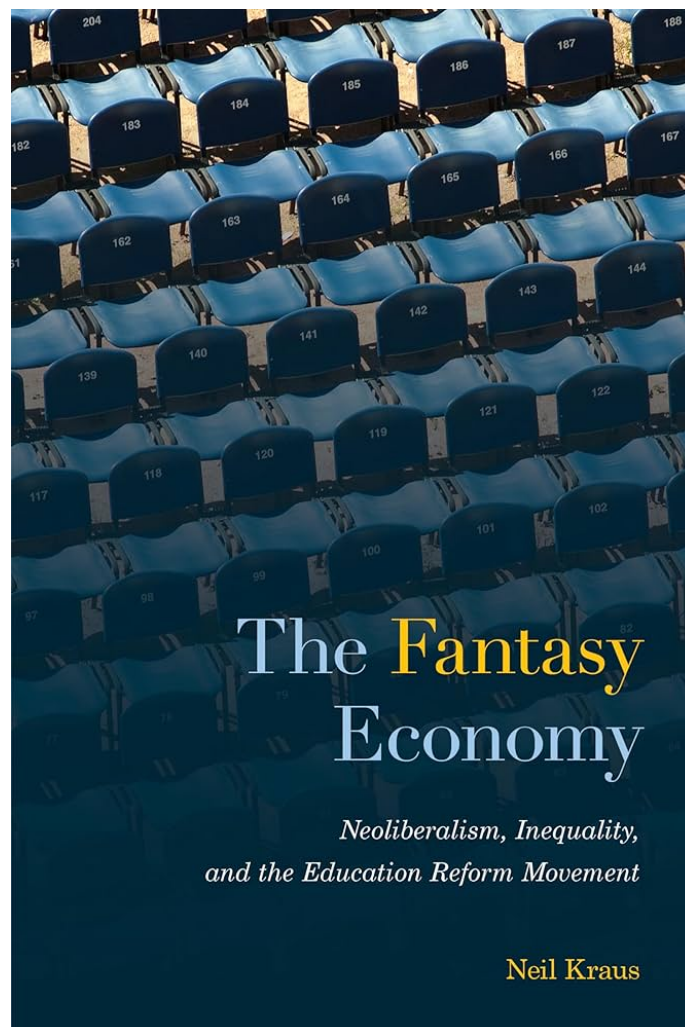
RADICAL TEACHER

A SOCIALIST, FEMINIST, AND ANTI-RACIST JOURNAL ON THE THEORY AND PRACTICE OF TEACHING

Review

The Fantasy Economy: Neoliberalism, Inequality, and the Education Reform Movement

by Jocelyn Wills



THE FANTASY ECONOMY: NEOLIBERALISM, INEQUALITY, AND THE EDUCATION REFORM MOVEMENT, BY NEIL KRAUS

Kraus, Neil. *The Fantasy Economy: Neoliberalism, Inequality, and the Education Reform Movement*. Philadelphia, PA: Temple University Press, 2023. Cloth. ISBN: 978-143-9923-702. 282 pp.

Neil Kraus's *The Fantasy Economy: Neoliberalism, Inequality, and the Education Reform Movement* makes a significant contribution to the expanding body of work on the corporate corruption of higher education and the long-term, adverse consequences of neoliberalism. As such, it should interest readers of *Radical Teacher* looking for further evidence (as if we didn't have enough already) of the necessity of freeing public education from the clutches of business, libertarian policy makers, and austerity budgeting.

Through copious research into the corporate foundations, lobbying efforts, and data used by neoliberal interest groups masquerading as progressive education reformers, Kraus exposes the ways in which America's corporate elite and ultra-wealthy have led a campaign against public education (both K-12 and beyond) for more than five decades—gaslighting the public into believing that economic opportunity, racial inequalities, and expanding disparities in wealth and income reside not in corporate strategies that include keeping labor costs down, offshoring jobs, expanding markets for educational (and especially technological) products and services, and encouraging obscenely high incomes for education “reformers” and austerity implementers (such as university presidents, provosts, and their expanding armies of administrators). At the same time, these “reformers” place little to no blame on neoliberalism's “real” economy of deindustrialization, wage stagnation, underemployment for all but the favored few, job insecurity, austerity budgets, and increasing poverty itself, but rather in a “fantasy” economy that ignores structural labor market realities and points the finger of economic precarity on a failing education system that has produced under-prepared students, failing schools, and a workforce with inadequate skills for an imagined 21st-century economy requiring more highly educated workers, particularly in science, technology, engineering, and mathematics (STEM).

With “alternative data” and “human capital theory” at the center of the fantasy economy's narratives and reports, including those produced by the Center on Education and the Workforce (CEW) at Georgetown University and other corporately funded and university-affiliated centers—the Business Roundtable, Brookings Institute, the Gates, Walton, Ford, Carnegie, Pew, and other corporate foundations, and neoliberal institutes placed strategically across the country—as well as special commissions set up by each and every presidential administration since Ronald Reagan's, Kraus deftly employs official data from places such as the Bureau of Labor Statistics (BLS) and the Federal Reserve Bank of New York to debunk the many myths used to take the focus off corporate and public policies for creating the context for economic insecurity by placing them squarely at education's door until they have become conventional

wisdom, especially the ludicrous assertion that schools and universities can and do control wages levels and jobs or that educators (particularly unionized teachers and faculty) are responsible for racial inequalities and need to be held accountable for a lack of economic opportunities.

Divided into five chapters beyond an introduction, conclusion, and epilogue, Kraus first examines the historical trajectory of the fantasy economy and the economic elite who have worked consistently to frame policy discussions, even when their proposed solutions to mythical crises met with public resistance (at least at first). He then turns to the tenets of the fantasy economy's narratives and the misleading research (much of it without attribution) and alternative data neoliberal reformers have employed to advocate for the need for more educated workers, most of whom got saddled with unconscionable student-loan debt and the reality of precarious work and underemployment after graduation. Kraus also devotes one chapter to the “educational accountability” narratives and politics of school choice that have guided the fantasy economy from the start. One can read the introduction and conclusion, as well as each chapter as stand-alone pieces, for Kraus does an excellent job of summing up the arguments he advances as well as the entities educators need to focus on in the days ahead. That said, the whole is greater than the parts, because *The Fantasy Economy* systematically and relentlessly exposes several myths worth considering for anyone seeking to build momentum behind grassroots movements to overturn the policies that have crippled education, created perverse incentives to bolster the fantasy economy from within educational institutions, and created the context for austerity budgeting, particularly in the wake of 9/11, Hurricane Katrina, The Great Recession, and other recent events that have allowed disaster capitalists to socialize the risks and privatize the profits of the neoliberal agenda.

Among the myths Kraus unmasks, a couple stand out as critical to dismantling the fantasy-economy narrative. The first is the unending drumbeat of the “skills gap,” a political campaign begun under the Reagan administration. Juxtaposing official data with the alternative forms of data produced by the fantasy economy's educational reformers, Kraus reveals time and again that students are neither under-performing relative to earlier generations and their counterparts elsewhere around the world nor that a skills gap ever existed at all. Historical numbers also show that American student attainment levels have in fact *increased* over time, while BLS, Federal Reserve, and other government data and reports find that approximately 61% of all jobs in the United States require nothing more than a high-school education, which results in chronic and steadily expanding underemployment among those with college degrees (71-5). This makes the campaign to designate education the sole provider of economic opportunity (rather than the provider of opportunities for lifelong learning, critical thinking and questioning, and finding a fulfilling life no matter work or career choice, as participants in and informed members of functioning democracies) all the more alarming, particularly when one considers that funding for schools and research has become increasingly

dependent on private foundations with ties to corporate strategies, including the expanding shift to shareholder value over all others. Moreover, the real economy of low-education, low-wage jobs in the United States also undermines the STEM shortage myth: The few high-paying jobs in STEM involve management, not rank-and-file work. The latter often involves relatively good pay after graduation but falls into the trap of a looming threat—and often reality—of layoffs, offshoring of jobs, and the hiring of vulnerable foreign workers (H1-Bs) who in turn find themselves tied to particular employers that can raise or lower their pay at will.

The “demographic cliff” myth also emerges as an important theme in Kraus’s research and work. In short, the cliff does not exist, but is used as a device to cut funding, conduct anti-tenure campaigns, and keep higher education in constant crisis mode upon the threat of collapsing enrollments. Those co-opted by this myth have helped to fuel the fantasy narrative with dire consequences. Although enrollments have declined slightly since the height of the Great Recession, Kraus uncovers BLS and other official data, examined over the long term, that shows steadily increasing or stable enrollment numbers. As a result, neoliberalism’s educational reform movement only serves the interests of those who want to obfuscate the real economy for an imaginary one, or use public funding for but private control over school, such as tech companies and their foundations, which are involved in high-stakes testing, on-line learning platforms, and other products and services). Reports and public relations produced by the campaign also require further scrutiny and resistance, including the narratives that have employed “innovation,” “diversity and inclusion,” and other catch phrases when the public became increasingly skeptical about the promise of “free market” and “technology” solutions as well as “culture of poverty” narratives.

So, what is to be done? Although Kraus does an excellent job of exposing the fantasy economy’s goals and narratives, his solutions sound far too familiar, and therefore ultimately feel somewhat weak because he hopes that educational administrators and the mainstream media will help to catalyze change. As those steeped in the realities of neoliberalism know, that is a fool’s errand: Administrators by and large have become careerists with little interest in students, staff, or faculty. What we need is radical change, with teachers and faculty willing to educate both students and colleagues about the realities they face and employing the fantasy economy narrative to upend it. Unions also have a role to play in educating members, students, and the larger public. Recent articles in such unlikely places as the *New York Times* and *Wall Street Journal* have reported that people on both the left and right have had quite enough of neoliberalism and seek alternatives. Their reporting also covers the disappointing job prospects for computer scientists and other STEM workers. That provides opportunities for unionized workers

to strike and stand with their contingent colleagues, to spend more time exposing the world to the austerity implementers within education and beyond it, and showcase how much those highly paid administrators are harming young people’s futures by taking as a given that there is no alternative to austerity, neoliberalism, or the fantasy economy they have swallowed whole and perpetuate. Their interests are not the same as educators, students, and families. We need to follow Kraus’s and others’ leads, digging into and examining the data so we can make a stronger case for education as a noble and important profession. There is no enrollment crisis; there’s a crisis in overcrowding classrooms, hiring freezes, and contingent labor practices. Importantly, educators need to take lessons from the Occupy movement, creating common cause with students, their family members, and grassroots organizations working against the corporate corruption of education, politics, and every aspect of life. As student encampments have recently revealed, corporate interests feel threatened by those critiquing the systems that work against them, the environment, and humanity. If not now, when?

Jocelyn Wills, Professor Emerita at Brooklyn College, City University of New York, and *Radical Teacher* board member, focuses her research and writing on the history of capitalism; surveillance studies; technological innovation and historical amnesia; American dreams and realities; microhistories of everyday strivers; and Brooklyn in the world.



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