

# THE 'GOOD GOVERNMENT' OF THE GERMAN EDUCATION SYSTEM: BERTELSMANN FOUNDATION

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**Abstract:** *At present, a worldwide privatisation of the political sphere is taking place, blurring the boundaries between economical and political structures. Private foundations, such as the Bertelsmann Foundation in Germany, no longer focus on charitable projects, but are increasingly concerned with the modernization of public administration and societal processes. This article aims to discuss the way the Bertelsmann Foundation is shaping Germany's education system.*

**Keywords:** *Germany, neoliberalism, post-democracy, Bertelsmann Foundation.*

## 1. Introduction

At present, a worldwide privatisation of the political sphere is taking place, blurring the boundaries between economical and political structures. The problem with this development is not the privatisation process as such, but the fact that within this process the rich and the super-rich are at an enormous advantage and are being empowered as privileged political subjects – far beyond the normal degree of bourgeois individual freedom of action.

In 1970 already, the well-known German publicist Günter Gaus demanded in an article in *Der Spiegel* magazine that the politicians of the Federal Republic of Germany put a stop to the privatisation of the political sphere by means of legislation: „If it is true ... that the social-democratic governing party keeps the peace with Bertelsmann because it was unable to make peace with Springer [Publishing Company], a wrong decision is in preparation these days, the consequences of which will reach far beyond previous

omissions in communication politics. ... Well-meaning employee participation and the right to have a say as they are being practiced or thought possible at Bertelsmann are meaningless details compared to the totality of the influence a future information corporation of Bertelsmann's size will have on society“ (Gaus, quoted in Böckelmann & Fischler 217).

Instead of taming the Bertelsmann Corporation, as Gaus had demanded then, the governing political parties empowered it and its foundation, which has become the main protagonist on Germany's post-democratic stage.

According to the daily paper *Frankfurter Rundschau*, admonitory voices are becoming increasingly louder. On the one hand, the media giant benefited from the charitable status of the Bertelsmann Foundation through a positive image and manifold contacts. On the other hand, its efficiency and competition standards had far too big an influence on the Federal Republic's politics (cf. Marohn).

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But, we might ask, don't the rich do good deeds through the so-called non-profit activities? Possibly. Nevertheless, the question arises whether, despite general consent for some of the philanthropic work of the rich, and all charitable results aside, they are not highly doubtful when judged by the criteria for democratic opinion-forming and decision-making processes.

## 2. The Bertelsmann Foundation

With about 80,000 employees and six company divisions (in 2006), Bertelsmann AG is the world's fifth largest media corporation. It comprises: Random House, the world's largest book publisher with more than 100 publishing houses in 16 countries; Gruner + Jahr, Europe's largest magazine publisher with *Financial Times Deutschland*, amongst other publications, and, jointly with Axel Springer AG, founder of a printing company that has become European market leader in magazine printing; RTL Group that heads the European radio industry with its 67 companies, from Ufa film and television production to Bavarian radio station *Antenne Bayern* and *Radio Hamburg*: „Each day, more than 170 million viewers in Europe watch TV channels operated by RTL Group: RTL Television, Super RTL, VOX or N-TV in Germany; M6 in France; Five in Great Britain; Antena 3 in Spain, RTL 4 in the Netherlands; RTL TVI in Belgium; and RTL Klub in Hungary to name only a few“ (Bertelsmann AG 2009).

Reinhard Mohn's second wife Liz is chairwoman of the management company Bertelsmann Verwaltungsgesellschaft (BVG), which holds an absolute majority of the corporation's voting shares. Liz Mohn represents Bertelsmann on the charity circuit, from the German Stroke Foundation to the Carl Bertelsmann Award and to European foreign policy.

What does Bertelsmann want, observers

of the company's changeable entrepreneurial course over the last few decades might ask themselves, a course that leaves to be guessed where the corporation actually sees its core business. Böckelmann & Fischler demonstrate how the transformation of the corporation into the property of the Bertelsmann Foundation was achieved behind the façade of a philosophy of renouncing power, but nevertheless remained characterised by the Mohns' unlimited right of disposal. In addition to the Bertelsmann Foundation's share of common stock in the corporation of around 58%, the family holds around 17% of the common stock in Bertelsmann AG (cf. Meyer).

Funded through profits and tax abatement, the Foundation, in turn, has a yearly budget of about 70 million euros at its disposal. It likes to be termed a 'reform workshop' or a 'thinking factory'. The foundation's 280 employees work on reform bills and model projects on topics within the realm of economical, social and educational policy (cf. Marohn). They often cooperate with ministries or associations, the German trade union's (DGB) educational network or work together with other foundations like the Green Party affiliated Heinrich Böll Foundation or the trade union owned Hans Böckler Foundation. However, the Bertelsmann Foundation differs from other foundations in that it functions exclusively as a private operating foundation, i. e. it does not receive requests for funding from others, but decides itself which projects will be pursued by the Foundation or its affiliates for the benefit of public welfare.

## 3. Projects Carried out by the Foundation

The activities of Bertelsmann Foundation integrate the definition of public welfare into a new, dangerous and aggressive

European policy in the interest of corporations. In the Bertelsmann Foundation's new world order, only those who work towards an opening up of the markets for the corporations and vice versa can be seen as 'democratic'. By pushing forward into this direction, the Foundation is presently gaining an almost unlimited power of definition over the project of the civilian society.

In 1994, the foundation set up the Centre for Higher Education Development (CHE). From that point onwards, it has been spearheading the business orientation of universities and the implementation of the bachelor and master study system. The Center for Applied Policy Research (CAP) at Munich University was added in 1995. Just like the CHE, it receives the largest part of its funding from Bertelsmann. The academic quality and the independence of the CAP activities do, therefore, indeed raise some questions. The CAP with its 60 employees is run by Werner Weidenfeld, a political scientist and a networker, who has been a member of the Bertelsmann Foundation's board of directors and, later, its committee since 1992. The CAP is working on several joint projects with the Foundation. These mainly focus on so-called strategic concepts for a future Europe, which also includes exerting an influence on the draft of a European constitution (cf. CAP 2004a).

One of the current projects is the Bertelsmann Transformation Index. It involves setting up a worldwide network of consultants. The ranking is intended to provide „the international public and political actors with a comprehensive view of the status of democracy and a market economy as well as the quality of political management in each of these countries“ (BTI). This worldview is very much in the vein of the one that Christoph Keese, editor-in-chief of *Financial Times Deutschland*, succinctly stated as follows:

„The public authorities need experienced managers. Not consultants, but in-house professionals who could well earn half a million or a million euros per annum. In the long run, this is much cheaper for the taxpayer than dilettantism“ (Keese, quoted in Krysmanski 2004: 117). Through BTI, 125 states are currently being ranked following the goal of a consolidated, market-based democracy (cf. CAP 2008). Countries with a high willingness for free-enterprise transformations and privatisation of the public sector receive the highest scores (cf. *ibid.*).

A further CAP project financed by Bertelsmann is called *Enlarged Europe – Developing a Political and Institutional Frame of Reference for the enlarged European Union*. It is concerned with „governability“ (CAP 2004b) „in the view of the continuing deficit in scope of action and democracy“ of the EU-25+ as well as the „inner consolidation of the political system“, particularly as far as „issues of defence politics“ (CAP 2004c) are concerned.

Meanwhile, the Bertelsmann Foundation has been preparing a further expansion of the company's main business areas within the German educational and academic system. Thus, in public libraries and universities, kindergartens and schools Bertelsmann returns to its traditional core business: developing and providing content through campaigns on topics like *Educational Paths in the Information Society* (BIG), *Business Studies at School* and *Toolbox Bildung* (Toolbox Education), to name just a few.

In schools, the Bertelsmann Foundation equally paves the way for an expansion of the company business by introducing performance indicators, evaluations and further appendages of the new steering models. The Bertelsmann project *Self-Responsible Schools and Quality Ranking in Educational Regions* was tackled for the

first time with initial aid from the Lower Saxony's federal state government: About 130 general-education schools received the tools provided by the Bertelsmann Foundation in order to set off on their way towards „self-responsibility“. With the SEIS, *Self-Evaluation in Schools*, programme package, they receive „valuable support“, comparable to quality management systems in business (cf. SEIS 2009).

In other cases of privatisation of the public sector, the separation of supervisory and operative function may be strategically relevant. For privatisation projects used by Bertelsmann in order to steer the reconfiguration of the educational domestic area in the post-democratic constellation, however, this can only be true if we lower our sights considerably. In this area, functions that we would rather see divided according to the principle of the separation of powers, are virtually united in the hands of one company. As a result, incredibly tight closed-loop systems develop that functions something like this: In Hamburg, for example, the model project *Self-Responsible School* was started (cf. FHH 2004). This project gives „more autonomy“ to schools – on certain conditions, however: „Self-governing schools“ are asked to „align their profiles with the Club of Rome's maxims“ (ibid.). An active member of the Club is Liz Mohn (cf. CoR). The schools in question also have to apply for „admission to the Club of Rome's nationwide development programme“, with the „mid-term aim of being certified as a Club of Rome school“ (ibid.). A CoR school will then embody everything that has been expected of a 'good school' for some time now.

The programme is financed by the Club of Rome-Schulen Deutschland GmbH, founded by the Club of Rome's German section. The Club of Rome, formerly

considered the moral conscience of Europe because of its attitude based on conservative values, has been marginalised somewhat by neo-liberalism recently. Amongst other members of the CoR school committee, there are Hamburg's former education secretary Reinhard Soltau, the former chairman of the trade union for education and science (GEW) Dieter Wunder, the managing director of North Rhine-Westphalia's Association of Chambers of Commerce and Industry as well as the Club of Rome's vice president Eberhard von Koerber. The committee of CoR schools is chaired by Peter Meyer-Dohm, Volkswagen AG's former head of personnel development and a member of the advisory body of the Bertelsmann Foundation's *Quality Development of Schools and School Systems* (cf. CoR schools). CoR schools, again – and now we are coming full circle – are evaluated through the Bertelsmann Foundation's SEIS, *Self-Evaluation in Schools*. It is networks like these that currently drive the privatisation of schools in Germany.

There can, however, be no question of voluntariness or even autonomy, as the federal governments in question increasingly tie a school's 'good reputation' to its participation in Bertelsmann projects. Whether the school heads want it or not: they either participate in a Bertelsmann project of their own accord or they are forced to participate by the respective federal state governments – caught between Scylla, the policy of 'empty public coffers' and Charybdis, the vice-like grip of permanent quality evaluations. The Bertelsmann Foundation or one of its affiliates is always already there, providing a „standardised steering tool“ to „interested schools“, a tool that helps „school masters and mistresses/heads of school and their staff to evaluate and plan school development processes with the help of data“. It feeds from an

„internationally viable quality concept of what constitutes a good school“, an understanding that Bertelsmann came to through experts that were chosen accordingly and that is being „concretised through tools (questionnaires for pupils, teachers and parents, employees and trainers) that have been scientifically validated and put to the test in practice“ and that have equally evolved from Bertelsmann projects. The result of the deployment of this steering tool are 'School Reports' that serve as a basis for the planning of measures, i.e. as a basis for driving the schools' own commodification and promoting its market-like transformation.

As a driver in the process of abolishing public general education, this form of privatisation is currently predominant at school level and in this way even more important than direct forms of commercialisation like the ones that determine the development in the United States, for example. Nevertheless, privatisation and commercialisation are becoming interlinked, are mutually dependent and reinforce each other: In Germany, too, the „public school systems that used to function according to the public institutions' own laws in the economy's 'slip stream',„ have long become „fields of commercial activity, where companies begin to restructure work forms and pedagogical relationships within schools, to divide school systems into a multitude of specific markets and to incorporate them into a spiritual and material privatisation process“ (Flitner 2006: 246).

#### 4. Conclusions

What can an educational scientist do in this situation? On this issue, three things at least: Firstly, take a closer look in the future at who we cooperate with since foundation does not equal foundation,

third party funds do not equal third party funds and even concepts of civil society do not equal concepts of civil society. Secondly, analyse what has become and will become of the general pedagogical beliefs that pedagogical acts have a structure and logic of their own which are not the same as economical ones. Thirdly, carry out network analyses of the new, post-national influence networks by means of Power Structure Research (cf. Burris 2009) or at least through investigative journalism, and make the results known to the public. At least, as long as we still have one.

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