

Chapter 2

THE CROOKED MIRROR

I've never been able to understand why a Republican contributor is a 'fat cat' and a Democratic contributor of the same amount of money is a 'public-spirited philanthropist'.

Ronald Reagan on the peculiar features of how politics is reflected in the American media

What does it mean to be fabulously brave in our day?
[It means] to refer to what is black as black, and to the white as white,
Not to praise murder in an unduly celebratory fashion,
To lie only when necessary, and when lying is not called for, not to lie.

*Friedrich von Logau
(Translated from the German)*

Can the absence of freedom of speech, a monopolized media market, and a politicized education thwart economic growth? Apparently, they can, and quite substantially. Partial mass media and an education turned propaganda channel not only harm the reproduction of high quality human capital, but also weaken the safeguards of the inviolability of the individual person. As we have shown in the preceding chapter, without such safeguards, there is no way to protect private property.

Adam Smith stressed the importance of an effective court system – that is, one that is independent of other types of authority, just, law-obedient, and impartial. However, important as they are, these institutions (above, we touched upon the problems associated with their construction) do not exhaust the institutions package essential for the effective protection of property rights.

The US Founding Fathers, authors of one of the most effective institutional systems in the world (at least, among those which have gone through an extensive trial period), initiated the Bill of Rights with a correction which guarantees freedom of speech and conscience. They had weighty reasons for making this choice of topic with which to begin. In reality, freedom of speech provides:

- Transparency of actions taken by the state, and thus, greater accountability of the state to the taxpayer;
- Transparency of actions taken by private persons (from the largest corporate unions to individuals. It is no accident that in most cultures, marital union is celebrated with weddings, that is, festivities attended by large throngs of people who can bear witness to the mutual obligations taken upon themselves by the two partners.)

Targeted by competitive independent mass media, infringing upon the law and performing actions contrary to morals and common sense, become a risky undertaking for both state authorities and private persons. The very issuance of an a priori illegal sentence, making short shrift of a competitor, and many other actions perfectly routine in pre-judicial society or society ruled by violence or controlled by Rule of Force, then become problematic.

In a society disposing of a network of free mass media (that is, mass media that are state-independent and maintain an acute competition with each other), trust both toward state institutions and among private persons grows over the long term.

Thus, freedom of speech constitutes an important (even if not the only) factor which strengthens the safeguards of the right to life, inviolability of the individual person, and private property.

We should note that no strengthening of freedom of speech institutions was to be observed in the democratic countries of the late 20th century. The opposite process was rather the rule. This was the case

despite the fact that the technical expenses associated with the emergence of new players on the media markets dropped sharply toward the close of the century.¹

Almost everywhere in the democratic countries, state or so called public tele-radio-corporations made their appearance, which for many decades to come achieved a monopoly – and, correspondingly, a substantial limit on the freedom – of the political broadcasting market.

The emerging trend of lowering the quality of “public” education signals less about the problem of reproducing and multiplying the human capital, than it does about the successful attempt to turn schools from institutions of learning into a powerful propaganda network. An interpretation of education along these lines is based on the concurrent spread of such mutually exclusive aims and approaches in education as a sharp increase in the number of disciplines and the demand for perfection in all disciplines, on the one hand, and the representation of schools less as institutions of learning than as setups for the socialization of children, on the other.

Dutch sociologists² have analyzed the influence that such an approach has had on academic achievement, using OECD tests in their study (PISA³ 2006). Their principal conclusion: the chase after “multiculturalism” (here a term meaning ethnic diversity in the school and in the classroom) lowers the level of academic achievement. The authors explain this by the additional load placed upon the teachers. Even though the conclusion arrived at accords perfectly with common sense, it has been subject to the politicized criticism of opponents.⁴

These approaches are instilled by the powerful politicized teachers’ unions. Their implementation leads to the destruction of moral barriers, which had previously been upheld by religious institutions. All this is conducted under the banner of the struggle against religious ideologization of the learning process; it is also accompanied by anti-religious propaganda.

Educated adult citizens are capable of making a sensible choice of sources of information, by purchasing newspapers, signing up for a subscription to the mass media, switching TV and radio channels, or surfing particular internet sites by choice. By contrast, children are not in a position to make sensible choices among information sources; at the same time, children are extremely receptive to the information they are given. Compulsory⁵ education under conditions of financing provided for the majority of schools by the state leaves a child defenseless as an object of political and ideological manipulation. It is impossible to expect that people in possession of a powerful instrument of this kind will aim to impose limits upon themselves or practice self-restraint for the sake of a higher good.

For countries with a transit economy, quick shock de-monopolization of the media market plays an even more important role than for countries with a stable democracy. This is an issue of the success of reforms or their failure.

For authoritarian countries, the very existence of opposition mass media can turn out to be the decisive factor in leading to a weak dictator’s loss of power.⁶

It is reasonable to assume that attempts at monopolization on the information market are very actively undertaken with a view to the least expense coupled with the greatest long-term effect. Using this as a starting point, we will begin analyzing the problems and the fiascoes in providing for freedom of speech in education.

¹ We are here concerned with the general tendency, even though some headway was actually made here and there, in the direction of taking advantage of novel technical opportunities for intensifying competition on the media market. We will devote more detailed attention to these developments below.

² *M. de Heus & J. Dronkers, 2010*. <http://www.eui.eu/Personal/Dronkers/English/Heus1.pdf>.

³ PISA — Programme for International Student Assessment. http://www.pisa.oecd.org/pages/0,2987,en_32252351_32235731_1_1_1_1_1,00.html; for the study of 2006, see http://www.pisa.oecd.org/document/2/0,3343,en_32252351_32236191_39718850_1_1_1_1,00.html; the study data are available at: <http://www.pisa.oecd.org/dataoecd/30/18/39703566.pdf>; the OECD analysis per se is at: <http://www.pisa.oecd.org/dataoecd/30/17/39703267.pdf>.

⁴ <http://www.svobodanews.ru/content/article/2122589.html>.

⁵ In some countries, because of the absence of the option of home schooling, attending school outside the home becomes coercive.

⁶ In the opinion of G. Egorov, S. Guriev, and K. Sonin, this means an “ineffective dictator” (Egorov, Guriev, Sonin 2007). The authors study a model based on a number of somewhat artificial presuppositions involving corrupt exchange deals engaged in by the dictator’s special services (as the dictator’s information channel which forms an alternative to the one provided by free mass media), bureaucrats, and others. They suppose that citizens reach a decision about rebelling or not rebelling, based on information about the effectiveness or the ineffectiveness of an authoritarian government, with the information being provided by the mass media. (In our view, the USSR’s economic agents during the days of Glasnost were provided primarily with information about the regime’s atrophy and decay. Transmission of information of this kind dictated the course of subsequent developments: strikes, undelivered supplies, and a national elites’ frond. For further detail, see Gaydar 2006.) Nonetheless, the publication provides an adequate reflection of the importance of the problem, particularly for the study of economics.

Professor and teacher during elections. A study headed by R. Lichter (Lichter 2009) has shown that liberals (that is, individuals maintaining a leftist orientation) clearly predominate in academic circles in the US, as compared to Republican conservatives. The ratio is 4.5-5 to 1. At the same time, the predominance of the leftist-minded in the humanities and the social sciences is even more impressive.

D. B. Klein and S. Stern⁷ have made a note of that the ratio among economists oscillates between 2:1 and 4:1 (as per different studies' results), thus remaining noticeably below average level. The authors also determined that as far as issues in economics are concerned (including questions of redistribution, immigration, gun control), economists' positions occupy almost exactly the middle of the stretch separating the extreme libertarian (extreme rightist) and radical statist (extreme leftist) positions. Among economists identifying as republicans, an evident shift stands out in favor of ideas of economic freedom (3.3 out of 5 points according to the "libertarian" ranking, as opposed to the 2.66 average for the sample as a whole).

Now, if we take into account that the social sciences include the study of economics, this will mean that the ideological shift as a whole – including the complete spectrum of political and ideological questions – is present in all groups of social scientists. However, as compared to colleagues from adjacent disciplines, economists look the least ideologically biased.

One of the most vivid manifestations of an ideological bias is the "political correctness epidemic" in US universities. As P. Rubin has shown,⁸ political correctness runs counter to the US Constitution First Amendment⁹; nor does it accord well with an academic paradigm or approach as such. At the same time, stoic fidelity to ideological schemes has a rational economic explanation: the attempt to retain their human capital made by those who had once invested in the "student revolution" of the late 1960s. This was when a plethora of extremist notions became popular, which have today become as good as "mainstream": "civil rights" (which were often set up as a counterweight to the rights specified by the American Constitution), feminism, sexual licentiousness as a principle and way of life, and socialism of all shades and hues. The consistent crash of all these notions led to the same consequences as the crash of the USSR had done for Sovietologists in the sense that despite the obvious bankruptcy of an entire "academic" mindset (except for a modest-sized group of honest researchers, such as R. Pipes and a few others), there were no consequences at all.

Interest Groups' Activism in the Sphere of Education

New Education Standards

Deliberations concerning economically worthwhile education programs often run up against fundamental beliefs about the function and the goal of education as such.

The thesis about the must of students' attaining the level of perfection in multiple disciplines is thoroughly typical of contemporary clerks in the sphere of education and teachers' professional union activists.¹⁰ There is an objection often made to the effect that this is hardly likely to be possible without efforts being concentrated on key disciplines and with an extremely unbalanced class makeup in public schools (a feature radically enhanced by the practice of introducing mentally weaker students, as well as children of immigrants, into the classes). The objection is openly rebutted by a claim which is clearly expressive of the creed of the dominant way of thinking in Western pedagogy today: "A school's purpose is to teach a student to read, write, and get his or her bearings upon the face of the globe. Yet the school's principal function is the education of the citizen and socialization." The key meaning of socialization is made clear in a comment by a Vancouver official: those who send their children to private schools are in practice supporting "educational apartheid" or segregation.

According to the data provided by the Canadian Fraser Institute,¹¹ which conducts a monitoring program, as compared to public schools located in relatively well-to-do suburbs, private schools are all too clearly in the lead. This is indicated by the results of state exams.

Nevertheless, private schools are blatantly discriminated against by the state on all levels. An alternative to state education is available to only a small number of wealthy or particularly fortunate citizens living in

⁷ Klein and Stern 2008.

⁸ Rubin 1994.

⁹ The First Amendment to the US Constitution, which guarantees freedom of speech, press, assembly, faith, and petition.

¹⁰ See the interview with the executive director of the School Council of Vancouver and the head of the Research Department of the Teachers' Federation of British Columbia (February 22 and 23, 2007, Vancouver).

¹¹ www.fraserinstitute.ca.

separate neighborhoods (states and duchies of the US and the province of British Columbia in Canada), where non-state forms of education are not as actively discriminated against as in most developed countries.

The case of British Columbia indicates how crucial it is for all people interested in independently educating their children to know how to bond around a powerful officials' coalition, teachers' unions, and a majority of the press. The fact that an active minority has only been able to defend the right of private education to survive alongside state educational institutions in just a single province of Canada, indicates that certain unions in this country (teachers' unions, for instance) are considerably more equal than others (such as parents' religious organizations' unions). The same is confirmed by the as yet unfinished story of the more than half-a-century-old struggle, accompanied by reversals and defeats, for the right to choose independently where to educate one's children, rather than to hand them over coercively to the state for bringing up.

The history of mass school education in most countries, including Russia, begins with religious education. Within this framework children not only were introduced to sacred texts, but also got a start in learning to read and write, as well as studied other useful skills (counting and the fundamental ethical norms which made it possible to interact with one's peers, a factor which ensured implementing the "socialization" function.)

The example of Germany in the late 19th century, where high school level state education demonstrated its efficacy as a means of preparing the masses for military service, motivated both the country's allies and its potential opponents to imitate its achievement. A clerkish-type motivation for augmenting the volume of budgetary monies to be redistributed apparently also did its share.¹² Setting up a new global task (to create a mass system of education), whose solution is absolutely essential for the state, presents the most effective instrument as well as the most effective argument for drastically raising state spending.

The next step took place under the new conditions created in Germany. The Imperial Law of July 6, 1938,¹³ concerning compulsory school education, forbade private schools and home schooling. After World War II, the Law was not repealed, but rather amended, permitting a slit of opportunity for non-state schools and retaining the prohibition against home schooling in effect. Attempts to challenge this regulation at the European Court for Human Rights met with total failure. Formally, the discussion both in the German courts and the European Court for Human Rights focused on interpreting Article 7 of the Basic Law of the Bundesrepublik, which guaranteed the right to establish private schools and parents' freedom of choice. Article 7 also did not forbid home schooling in any guise or shape. Besides, the debate also concerned Pts. 72 and 76 of the Constitution of the Baden-Wuerttemberg region, which essentially confirmed compulsory school education. This makes it all the more interesting to trace the arguments mobilized in support of dismissing the complaint. They provide all the grounds necessary for evaluating the court decision as a manifestation of a new cold war of the state and teachers' unions against parents in trying to assume total control of the individual person of the child.

The decision reached by the European Court for Human Rights, which ratified the priority of state and society over family in issues of education (thus far, only in Germany), was promulgated on September 11, 2006, as per Proposal № 35504/03, submitted by Fritz Konrad and a group of other petitioners against Germany. The proposal put forth the demand to provide for the petitioners' families' right to homeschool their children. The principal grounds for the refusal consisted in the claim that schools are a means of socialization. Socializing must be compulsory. For instance, parents claiming religious convictions have no right to protect their children from "sex education" coordinated as based on the vision of leftist radicals.¹⁴

The philosopher L. Chernyak is convinced¹⁵ that the subordination of education to conjectural or any other applied objectives leads in the long run to the undermining of the foundations of learning and to degradation.

Economically, such a philosophical approach seems quite justified. Receiving a quality classical education founded upon the ability to learn languages, logic, history, and mathematics, as well as upon constructing the skills needed for presenting and defending one's point of view, guarantees a powerful foundation of learning. Building upon this foundation, students can then proceed to careers in the humanities, mathematics, the natural sciences, engineering, teaching, medicine, and so on.

Thus, an approach attaching a value to education and knowledge as such minimizes the risks of losing learning time in obtaining information which quickly becomes out of date.

Shared either consciously or intuitively by most parents concerned about the quality of their children's education, such an approach would have a fair chance of success and widespread implementation, provided

¹² In accord with Niskanen's model.

¹³ Reichsschulpflichtgesetz of 1938 (the Reich or Imperial Compulsory Schooling Law).

¹⁴ «The applicant parents could not be permitted to keep their children away from school and the influences of other children. Schools represented society, and it was in the children's interest to become part of that society. The parents' right to education did not go as far as to deprive their children of that experience.»

¹⁵ Chernyak 2007.

that parents have the freedom to choose the school (or, more generally, the forms of education) for their children.

The most extended and intensive discussions of organizational forms of education are conducted in the US.

On the left flank of the discussion are the powerful teachers' unions,¹⁶ the largest of which (the NEA) has connections to the US Democratic Party, or, to be precise, to the Party's most extreme leftist wing. The second largest union (the AFT) tries to steer clear of open ideological shifts and direct politicization.

However, both unions support the institution of tenured positions for teachers. The NEA also combats independent evaluations of quality of instruction. This unites it with its Canadian colleagues from British Columbia.¹⁷

The rightist contingent is made up of convinced opponents of state funding for schools (including schools set up by the Alliance for the Separation of School and State¹⁸).

An intermediate position is taken by moderate rightist politicians who support M. Friedman's idea of partial privatization of education by means of vouchers issued for the sum total of school expenses (with the amount covered by the voucher to be arrived at by dividing the total expenses according to the appropriate article by the number of students). The monies accruing with the implementation of such an approach follow the student, even when he or she enrolls in a private school. Evidently, such an approach sharply raises the level of competition among schools, and for this reason is subject to fierce criticism by the NEA.

Among the main beneficiaries of this approach are non-profit school networks, mostly affiliated with religious organizations and open for children from the poorest families.

A similar situation is to be observed in British Columbia, Canada's leader in the number of students attending independent schools (of whom, albeit, there are only 10%). Unions and officials struggle against independent schools. On posters disseminated by the professional unions with the demand that private schools be banned, a school bus is shown rolling onto the precincts... of a concentration camp! The motto on the poster reads: "Schools are for the people, not for profit." The reminder that concentration camps made their appearance and "blossomed" precisely in those countries where "for profit" schools had been outlawed entirely, did nothing to sway the convictions of any of the poster's authors.¹⁹

By contrast with the US (primarily the states of Milwaukee, Wisconsin, and Ohio), Chile, and Great Britain (the lower school grades), what is in effect in British Columbia is a selective and only partial transfer of funds for every student in private schools.²⁰

To sum up: sooner or later, the interests of trade unions protecting their members who tend to support the teacher least capable of competing with others, and the interests of education officials unwilling to be accountable to the voter or to have their work evaluated as per generally accessible education efficacy criteria, coincide with the interests of leftist radical politicians. Their interests reduce to expanding the stratum of weak and non-competitive market agents, the same ones who are the supporters and reliable voters for redistribution and pro-regulation coalitions.

These interests are the opposite of the interests of student parents who "socialize" their children, with some doing this more and others doing this less effectively. In any event, none of them are likely to do it in a manner worse than the persons listed above. Parents quickly recognize a simple truth: in order to achieve success in life, children require a store of profound knowledge which does not become out of date, rather than the skill of smiling in a disciplined manner at a passerby with a different skin color or an alternative sexual orientation.

¹⁶ Here we mean primarily the National Education Association (NEA), which brings together more than 3 million members (www.nea.org), and the American Federation of Teachers (AFT), which numbers a more than 1.4 million membership (www.aft.org).

¹⁷ See the interview with L. Cowan (February 22, 2007). Cowan recounted the story of the multimillion program for struggling against... none other than the Fraser Institute program for evaluating school quality. He explained that exam grades do not always reflect the quality level of socialization in a school, and it is this socialization (in light of Cowan's notions of school objectives) that has top priority. The interviewee also rejected the suggestion about creating a system of his own for evaluating school quality. Such a system could be based, for instance, on monitoring school graduates' sites (number, average time passed since the day of last renewal, surfer frequency, number of comments concerning quality of instruction, not to mention the selective content analysis of these last). Such an evaluation system would thus also provide a sense of the reliability of the ties maintained among former graduates, and so of the quality level of their interaction during their years in school.

¹⁸ <http://schoolandstate.org/> site of the Alliance for the Separation of School & State.

¹⁹ Interview at the teachers' union (February 22, 2007, Vancouver).

²⁰ For more detail, see: Yanovski, Javoronkov, Yang et al. 2007.

Reaction to Market Demand or Politically Motivated Behavior?

Let us consider the process unfolding in the developed countries of displacing education as such from school curricula by a complex of “socialization” measures.

Professional teachers’ unions claim that their interests do a better job of fitting the conjuncture of the market than anybody else’s notions do (even if they are the notions of the parent majority) about the desirability of obtaining a good education (where “education” refers both to a considerable total of knowledge accumulated and, most importantly, to the ability and the skill and taste for acquiring new knowledge). Let us enumerate some arguments in support of the unions’ position.

Within the public school system, the wishes and stimuli of the teachers simply coincided with the needs of the labor market, since for both clerk and salesperson what is required is less knowledge than socialization.

It is far from evident that the state stands in any way to gain from investing resources in education which may reinforce the positions of the recipient of the education as an agent on the labor market. However, it is not entirely clear that such investment is covered by taxes. This objection is overcome in the case of private education, when market motives as well as motivation having to do with prestige are evaluated and paid for independently by interested private persons.

Politically, there is no way to limit universal suffrage by voter qualification requirements, just as there is no way to privatize state television channels. This is an exogenous limitation.

If the coincidence (of teachers’ motivation and labor market needs) is in fact in evidence, then it consists in that the deterioration in the quality level of education and the loss of value of graduation diplomas lead to lower quality levels of goods and services offered on the labor market and the quality level of consumer demand on many other markets. High progressive taxation and excessive regulation push out a considerable part of the demand for qualified workers to China, India, and so on. The demand for mathematicians and engineers is thus to a considerable extent undermined artificially. Insofar as transactionally bulky services cannot be taken out to China – on the contrary, they are pushed out of China²¹ into the US and the European Union – the tolerant attitude toward low-quality level education among officials is also most likely constrained.²²

Workers with a good knowledge of mathematics and logic, a high quality education in the sciences and math, and a thorough knowledge of languages find good jobs. As a rule, they do not run into particular problems on the labor market in any country. That is, the labor market is open to a well-educated labor force. However, because of deficit in well-educated workers, business grows by giving due consideration to the available labor resources.

Universal suffrage extends the role played by voting welfare dependents and state budget beneficiaries, making the predicament of the taxpayer less and less attractive. An especially comfortable situation develops for well-organized state budget workers – state employees and teachers. The struggle for special privileges for teachers has made the appropriate trade unions be allies of the Democratic Party in the US. Given the impossibility of weeding out incompetent teachers and the limitations imposed on the right of parents to choose the type of education for their children, a blurring of the quality of education occurs on the high school level (and with a certain time lag, the same takes place in higher education, as well). Markets (the labor market foremost among them) adapt by means of restructuring businesses²³ (partly by taking them abroad, and partly by simplifying enterprises), as well as importing qualified foreigners in order to compensate for the shortage of home university graduates.²⁴

Widespread parent dissatisfaction with the public school system indicates that the system will be unable to answer to the demands of the natural education market, should such a market have a chance politically to take shape. If the system is perfectly competitive; if state schools exist by competing against private schools for

²¹ Where, as has been noted in Chapter 1, they cannot be realized in practice because of the high risks involved for property and property owners.

²² The current crisis (since 2008) should introduce some corrections into the picture, however. Politics is, in this case, stronger than economics.

²³ Incidentally, the degradation of the quality of education can significantly impact the quality of the country’s consumer demand, just as sometime in the past, in the 1940-60s, the growth in quality did. After World War II, in the wake of the rapidly rising density of residents with a higher education, requirements presented as to the quality level of goods and services also rose quickly in the US. There is no evident sequel to this growth in consumer demand level to be observed in the last few decades. On the one hand, this simplifies the project of taking business and production works out into countries offering a cheap labor force. On the other hand, it pressures the market, making the simplification of businesses within the country cost-efficient.

²⁴ That is, the real demand on the labor market is unable to protect this market from political pressure exerted by perverse and corrupt “professionals”; it can only adapt.

sponsor funding and parents' payments and survive; if, in response to the wishes of parents and sponsors (i.e., business) operating under market pressure, schools gradually make the shift to the same standards which are administratively foisted upon them today by means of government standards and curriculum programs; then the position of teachers' professional unions will, indeed, be thoroughly solid and sound.

The non-market institution of the state school is in essence not constructed for the purpose of satisfying the needs of consumers, such as students, parents, or business; it does not contain mechanisms of adapting to the changes in market requirements or parents' notions of educational priorities. Nor do state schools feature the mechanisms for fostering a strong interest among teachers in advancing any kind of values, ideas, knowledge, or the like. This is why anticipating a crash of a system with understandable personal motives among teachers, their unions, and education officials appears more realistic than expecting the interests of all agents to coincide by chance.

Arguments in defense of the present status quo, in which state schools predominate, would be incomplete without bringing up two outstanding historical instances of successful development of state education: the Prussian-German and the Soviet.

However, in both cases, there is clear evidence of the impact of the military component of the state demand for education, or the coupling of a certain level of militarization and ideologization with instruction providing a bases for the preparation of a disciplined and educated (or qualified) soldier. In both states, the military establishment was thoroughly powerful both in exerting an influence on decision making, and in shouldering its share of budget expenses.

As we will show in Chapter 13 below, the situation in modern social states has radically changed. This is why the state school is for all intents and purposes not associated with the delivery of pure public goods. But the ideologization has stayed on, connected with the new objectives set before the authorities (i.e., the officials). A long series of examples can testify to the ability of the state to act as a more or less capable buyer of goods and services for military purposes. The most recent historical developments include rapid appropriation and combat readying of battleships, tanks, radio-locating (early warning) stations, and reaction aviation – that is, the most up-to-date varieties of military technology, transportation, communications, and management. Similar state achievements in the civil sphere are incomparably more rare. With the shift of the budgetary expenses' "center of gravity" from cannon to oil, state systems of education cannot present a single success story which would be at all impressive.

“Equal Opportunity” and Fairness

An important topic of deliberation about strategies for education development was – and remains – the problem of equal opportunity and equal access to education regardless of family income.

An especially popular approach to this problem is based on the presupposition of a “market crash,” or shortage of private stimuli for investing in education. Such a shortage ends up having to be compensated for by means of state investments. At the same time, according to the proponents of this approach, special attention should be devoted to providing equal opportunity for children regardless of the property status of their parents.

State-provided education makes it possible for children from poor families to acquire the basics of education in a way comparable to their peers from wealthy families. This does not only give the poor a chance to find well-paid jobs and occupy prestigious positions in the future, but also makes competition more acute, thus advancing the improvement in the quality of education for the wealthy, as well.

A typical case of this approach can be seen in the 2001 World Bank report titled “Quality of Growth,” Chapter 3, “Perfecting the Distribution of Opportunities.”

The authors insist that “quality of growth” means activating state efforts to achieve a fair redistribution of resources. “Fairness” in this connection refers to a perfectly uniform redistribution of resources (in this case, by diverting them to education.)

But the authors are unable to cite any factual data in support of the hypothesis that large state investments in education ensure real growth in human capital (with attention to both average number of years of study and quality and level of the knowledge obtained). The only example referred to is the proportional reduction in the size of the poor population in the states of India depending on the uniformity of distribution of education resources. In those states (in the state of Kerala, to be more precise) where in 1960-1994 the distribution of spending on education was “more fair,” as the authors term this, poverty went down faster.

Obviously, it is extremely difficult to argue for such an approach on statistical grounds. Doing this would entail not simply showing the connection between the Gini coefficient and the country's average of years spent receiving an education,²⁵ but also grounding the causal connections. It needs to be shown that state investment

²⁵ That is, the average number of years devoted by the citizens to the process of study (including elementary, high school, and higher education).

really is capable of considerably increasing the human capital and providing for an acceleration in the economic growth rates. The authors need not be reproached for the absence of facts supporting their conclusions.

However, the authors' claims that such a connection actually obtains hardly look convincing without due statistical evidence to support them.

It should be noted that World Bank employees admit that an important factor in achieving success is the structure of education expenses (including elementary, high school, and higher education), as well as a reasonable combination of state and private investment (South Korea is cited as an example to emulate) and the demand for education. It is precisely the demand for education that, from our point of view, serves as a key indicator of success in the developed countries.

Another World Bank report (2003) provides an analysis of the experience of two countries with comparable income levels in the late 1950s: South Korea and Ghana. Based on the analysis, the conclusion is demonstrated that an important factor in their later success for Koreans was investment in higher education, with private universities predominating in this area (85% of the country's students attending private universities).²⁶

The authors of the 2001 World Bank Report note that the growth of economic openness promotes demand growth, but do not go beyond making this judgment.

We should also note that the report conscientiously indicates the absence of reliable testimony in favor of the possibility of raising the human capital of the poor by simply increasing deposits from the budget. They cite the opinion expressed by Filmer and Pritchett,²⁷ based on a statistical study. The results of the study indicate the absence of any strong correlation between the number of persons aged 15 to 19 who have 5 full years of education, and state spending on education (both per capita and as shares in the GDP).

Following this, the chief argument remaining consists of "fairness" understood in a peculiar way (in the following chapters, we will discuss the appropriateness of referring to this) and "social involvement."

It is also noted that families' social status has a considerable impact on the duration and quality of education. Many children and teenagers drop out of school because this is what others in their milieu had done in the past and continue to do still. However, this trend should be discussed in light of the demand for education.

If parents are certain of that education gives their children a chance to raise their income and status, then they are likely to devote considerable efforts to assuring an education for their children. The converse is also true. But if, disregarding everything, parents simply ignore this opportunity, then the state's chances of helping the children in an effective manner (i.e., against the parents' will and without any clearly expressed interest on the part of the children) by means of investment and coercion – via legislation concerning compulsory education – appear to be miniscule indeed. By contrast, the interest of education officials in taking advantage of the situation as grounds for unlimited increases in spending, on the one hand, and lowering the level of requirements presented as to the final outcomes, on the other, is perfectly understandable.

As has been noted earlier, the standard approach among state employees in developed countries consists in the legitimation of effort, spending, and coercion based exclusively on the need for "socializing," the doubtful values of "social involvement" and a socialistically interpreted notion of "fairness" or "justice."

The longest-standing tradition of "free schooling" (at the expense of the state budget) is the one in Russia. In this connection, Guriev notes that in Russian society, education and science are understood as "classical public goods, which must be furnished by the state as well as be free for the consumers."²⁸ This is precisely why state universities and research institutes are predominant in our country, while in the US, it is precisely the private universities that play a key role, leading in both educational and research activities. And it is the American universities which are in the lead in world education ratings.

M. Pua shows the other side of the coin of state coercion.²⁹ Using his own experience as a teacher, he demonstrates the way that compulsory education morally "liberates" parents from responsibility for the behavior of children at school. The monopoly enjoyed by the ministry of education over the makeup of the education curriculum includes responsibility for educational content, and society as a whole is responsible for the quality of education. The conclusion reached by this teacher is that legislation about compulsory education must be repealed. Responsibility for education must rest with the family and society.

It should be noted that a normal private education system not only supports and intensifies education stimuli, but also fortifies morality on the level of the family. It also creates certain stimuli for paid schools for the wealthy to enroll talented poor students on favorable or preferential terms.

²⁶ World Bank 2003, pp. 11-12.

²⁷ Filmer and Pritchett 1999.

²⁸ Guriev 2006, p. 176.

²⁹ M. Pua, "To Cancel the Compulsory Education Law," <http://he.manhigut.org/education/3387> (2008).

The nearly unique way to corroborate the success of a school or university on the education market is to present the history of graduates' achievements, that is, to underline their successful careers, high incomes, and social status (see, for instance, the advertisement of the Russian School of Economics, a private institute of higher education and one of the leaders in economics education in Russia).

The least capital-consuming way of achieving this is to enroll talented students. A stronger student body not only "on average" raises the probability of success in the graduates' later careers, but also stimulates the fellow students enrolled together with the young prodigies. What's extremely important is that it also stimulates the teachers.

A certain amount of experience of this kind has already been accumulated by private schools in the developed countries. It can be adequately put to use in Russia.

A series of researchers cast in doubt the efficacy of competition in the sphere of education. Their arguments are based on the claim that the connection of the labor of the teacher, the final outcome, and the means of encouragement and castigation is mediated. It can hardly manifest itself in the short term. On this basis, as well as based on a classification of public goods, researchers such as V. Tombovtsev draw the conclusion that private persons are incapable of solving the problem of choosing the right school for their children. The available level of competition is, therefore, in principle sufficient. Reserve resources for the amelioration of the quality of education should be sought in increased financing.³⁰

The survey of available literature included in Tambovtsev's work indicates that, provided that competition is available, both parents and children will aim for a falsification of school grades. They will try to ensure grade inflation, pressuring both the teacher and the school. The teacher and the school have no motivation to resist this or to remain impartial.

Such situations are at present to be observed primarily in areas where parents consider the school and the state to be suppliers of a good whose quality is not subject to their control, while the involvement of the state in all spheres of life makes private initiative and its advantages in the quality of human capital have little value. At the same time, a formal evaluation of academic progress may entail certain advantages, making an administrative bargain with the school a meaningful undertaking. The less schools depend on market requirements, the less important it is for the school to show graduates' success stories to the parents of prospective students – the greater the motivation for the parents and the school to reach a compromise on the issue of school grades.

The fraction of state spending devoted to education in Russia oscillates close to 1%.³¹ In Israel it reaches 5% of the GDP.³² However, both the officials and the teachers' professional unions are motivated to use the schools less for the purpose of education than for other purposes, a fact which leads to the degradation of the education system. The growth in spending, unaccompanied by any profound reform, portends the likelihood that in Russia the outcome will be far from desirable.

The model of education as a "trust-based public good" implicitly contrasts "real parents" (the parents already spoiled by the perverse stimuli of compulsory education) with the "ideal official" (an official perfectly informed and committed to the objectives set before him or her). Even though the "real official" has no immediate motivation for ideologizing education, his or her political superiors have obvious reasons to make use of the school as an ideological propaganda channel so as to prolong their own time in power.

The considerations enunciated in Tambovtsev's work make us look at the problem of transition from compulsory education to freedom and parental responsibility to choose. All this makes it clear why reform should not be expected to yield immediate returns. As long as parents do not begin again to recognize the fact that their children's education is entirely the parents' own responsibility, no rapid improvements can be expected for such families. But a sizable number of parents even today assume that they, rather than the state or the school are responsible for the quality level of the education of their children. Such parents can expect improvement to materialize considerably earlier than the moment when the new generation will come into its own.

Finally, the most important point is making the choice between a system with no competition (or limited competition), which undermines all possible motivation for responsible behavior among the most interested players in the scheme (students' parents) and the system mobilizing such motivation. The claim that irresponsible behavior is typical of a large part of the parent population is a doubtful means for supporting decisions which encourage precisely this kind of irresponsibility as a stable behavior stereotype. Just the

³⁰ See V. Tambovtsev, "Reformy rossiyskogo obrazovaniya i ekonomicheskaya teoriya" ("Russian Educational Reform and Economic Theory") in *Voprosy ekonomiki (Issues in Economics)* № 3 (2005).

³¹ As calculated based on data from the ROSSTAT (Russian Federal State Statistics Service, with data based on the GDP) and the Federal Treasury. The Federal Treasury of the Russian Federation site's data on the execution of the federal budget is at: <http://www.roskazna.ru/reports/fb.html>.

³² <http://www.mof.gov.il/BudgetSite/StateBudget/Budget2009/Lists/2009/Attachments/1/ikarey2010.pdf>.

opposite is important: the sooner parents encounter the challenge of personal responsibility, the earlier will they be able to overcome the irresponsibility habit.

We will consider issues in the crisis of the family in more detail in Chapter 11 below. Parents' refusal to assume responsibility for the education of their children is no less worrying of a symptom of crisis in the family than the drop in the birthrate, the rise in the number of divorces, or the unwillingness to marry. Finding a solution to the problem of education thus turns out to be intimately bound up with solving an extended series of other problems.

It appears that the common roots of the issues touched upon above provide sufficient grounds for hoping for the success of reforms which should be introduced in education and in family law and family law enforcement at the same time.

The “Liberal Bias” or Leftist Shift in the Social Sciences, Education, and the Mass Media

Politicization under the banner of depoliticization. According to leftist historians, the preserved heritage of the discipline of “Dead White Male History” is an ideologically shifted and politicized product.³³ “New History” was summoned to create a “non-shifted” history capable of righting the distortions. Politicized academics' unsuccessful attempts to find new directions for the development of this discipline (since the 1930s in the West, and much earlier, beginning in 1917, in Russia) turned out to be politically in demand. They have been widely distributed ever since.

Foisting “New History” upon the Public

Control over the future by means of a “controllable past” is thoroughly familiar from totalitarian regimes' history. Then again, it is also familiar from the practices of closed democracies. At the same time, ideologically shifted teaching of history in junior and senior high school is the most natural and convenient “weapon of intoxication” both in terms of the duration of the process, and in terms of the limited opportunity that students have to resist the propaganda.

In England, this process was launched following World War II, aiding in the legitimization of the disbanding of the colonial empire for the purpose of redistributing the resources brought in from the former provinces among state employees and metropolitan officials and clerks. It soon became apparent that there is nothing to be taught in any new way, because the facts did a poor job of fitting in with progressive theories. So the following idea was put forth as a solution: “to teach history as a skill, rather than as a body of knowledge.”³⁴ Obviously enough, such an approach has nothing to do with education in any regular or normal sense of the term.

The “skill rather than knowledge” approach works well with the new function of the school: socialization rather than education. The notion of historical narrative rather than historical knowledge is the next step in this process of liberating teachers from the routine of teaching or from having to maintain their skills as professional instructors of children.

There is no objective truth, only different versions and narratives. However, there are persons out there, who are by virtue of their position (as university professors or education officials) “authorized” to choose privileged narratives – those narratives, which are “more right” than others. Moreover, the same persons are authorized to rank the narratives.³⁵

The logic of “Instead of A , a set of N of equal value follows from not- A . From this it in turn follows that some i^{th} N is true (has priority)”³⁶ means that the negation of some utterance leads ultimately to that same utterance itself, but re-labeled (academic or research truth is labeled “priority narrative”). Using formal logic, anything whatsoever can be deduced from the statement that “not- A ” is true and that at the same time A is true. Given such an approach, the very idea of the possibility of controlling the quality of historical education becomes unrealizable.

By a narrative superseded by any other narrative is meant an approach based on objective facts (historico-economic and legal facts). This means an approach acknowledging the obvious advantages of free market

³³ Shweder August 18, 1991.

³⁴ Deuchar 1997.

³⁵ Thus, for instance, Islamic narrative doubtless dominates the scene, as opposed to any other narratives; narratives of the “Europeanocentric” (non-anti-American) kind, by contrast, step down in the face of any other type of narrative.

³⁶ $A \Rightarrow (N_1 \cap N_2 \cap N_3 \cap \dots \cap N_n) \cap (N_1 = N_2 = N_3 = \dots = N_n) \Rightarrow N_i = A, \forall j, j \neq i, N_i > N_j$.

economy, including competitive media and arms markets. It is not difficult to see why such an approach is the least desirable (or simply forbidden; Pipes 2005) from the point of view of leftist-employed professors.

A similar approach is extensively in use in morality, too. The claim is made that no universal moral code exists. There are only ethical approaches of different cultures of equal value. However, some cultures deserve greater respect or more attention (i.e., time devoted to them as part of the curriculum) when studied in school. Besides, there are some persons who have the right to declare any arbitrarily chosen ideas – or their supporters – “amoral” (see Chapters 9 and 12 for more detail), all despite the absence of universal moral norms (as per their view).

The results up to date of the struggle for “New History” are indicated by the following fact.

In 2005, winners of the American History National Museum Award for teaching a course dealing with the September 11, 2001, attacks were the “new historians” R. Peterson (for junior high schools) and Professor D. Mednikov (author of a college course in Massachusetts).³⁷ Mednikov doles out to students – all of them originally from different countries – cookies, in a manner proportional to these different countries’ share in the world GDP, thus leading the students to the thought that world resource distribution is flagrantly unfair. Free countries are rich, while ferocious dictatorships are poor, a circumstance which provokes the just dissatisfaction of these last. Besides, Professor Mednikov directs the students’ attention to that, insofar as according to the liberal mythology, “the United States has in the past provided, and in the present continues to provide undivided support for Israel in the Near East conflict,” Islamic nations have grounds for killing those whom they don’t like, regardless of age or sex.

Such apologies for murder, concocted based upon the most “noble of motives,” along with accusations directed against those trying to oppose them, have become so widespread,³⁸ that they no longer shock public opinion.

An entire series of books and methodology aids³⁹ aimed at “rethinking” history (which, lacking and factual grounding, reduces to reinterpretation) is of interest as an object of study not only for psychologists and sociologists, but also for economists curious about chances of creating and supporting a stable demand for the production of materials of this kind. In any case, interdisciplinary study of leftist ideological shifts in high school and college education in the old democracies seems no less interesting than the study of the “liberal Bias” on the media market, which has by now amassed a solid repository of academic material of its own. Methodologically, such a study could be based on researching curricula recommended and provided with the support, including financial support, of the state.

Obviously, the feminist pseudo-scientific political agenda is also well represented in the schools and universities of today, where it is used for arbitrarily introducing materials or grounding the refusal to present any material whatsoever.⁴⁰

It should be logical to conclude this modest survey with a reminder that the founder of this new orientation in instruction, D. Dewey, influential since the years of F. D. Roosevelt’s presidency, was an open admirer of the USSR and the communist experiments in teaching.⁴¹

Free Development of the Individual

“He that spareth his rod hateth his son; but he that loveth him chasteneth him from his youth.” (Proverbs 13:24) Nowadays, ideological rubber stamps foisted upon students are far from the only means at the disposal of the new approach to education. If we make allowances for that the ideal conditions for teachers in state schools are, first, lifelong tenure and, second, total absence of responsibility for the outcome, then the notion of free development of the individual provides a rather useful accessory in achieving the latter goal. The absence of outcomes is explained by the need to let the “individual” (who, properly speaking, does not yet exist) “develop freely.” A multitude of useless subjects in the compulsory education program then makes it possible to cover up for the failures of the school system to teach useful subjects. In addition, the lack of discipline in the classroom turns into something close to an achievement (besides being an enormous relief of the burden of the teacher’s responsibility).

³⁷ Gregg 2005. For more detail, see *NEA Today* (the National Education Association survey) for April 2005.

³⁸ See <http://www.ngo-monitor.org/index.php> for monitored activities of rights organizations. For monitoring of murder propaganda on ideological grounds, see: <http://www.imw.org.il/russian/>.

³⁹ <http://www.rethinkingschools.org/>; <http://www.zinnedproject.org/>; specifically for the “correct” interpretation of September 11, 2001, see: http://www.rethinkingschools.org/special_reports/sept11/16_02/sept162.shtml —.

⁴⁰ For instance, see O’Beirne 2006 on the discussion of works by Carol Gilligan (pp. 69-71) and the hounding of Larry Summers for a strictly academic study of issues in education, academic careers, and discrimination; in the course of this, an academic and leader of a well known research center was accused of amoral behavior which undermines trust (pp. 87-89).

⁴¹ Dewey 1929.

Schools fall under the sway of teenage bands, violence, and primitive instincts of the strongest, the smartest, and the cruelest teenagers.

Free Development, Bullying,⁴² Anti-Bullying...

Trendy theories of the free development of the individual have a natural sequel: relieving teachers of any responsibility for discipline. Coupled with lifelong tenure, which is protected by powerful professional unions, such a state of affairs is extremely convenient for teachers, especially for the worst among them.

A natural consequence of teachers' refusing to control student behavior has been the students' seizing control over territory in the school, thus practically seizing power. Evidently enough, this does not involve seizing power by all the students, but the most aggressive and power-mongering among them, i.e. the worst or the "really mean."⁴³ As far as optimizing the state of affairs in the school or "socializing" the students is concerned, this situation is unacceptable and post-factum dangerous. It was obviously unacceptable and dangerous to begin with. Not for naught did G. Goldschmidt (alias the well known children's author Y. Korczak), that great and enthusiastic fan of children's autonomy, sentence the children's kingdom of his favorite character King Matiusz, as well as the king himself, to total collapse.

The last few decades' experience in "free development" has once again confirmed the inefficacy of general self-government among those unready to bear the responsibility for themselves at least materially (legal competency, independent source of income). This is the other side of the coin of the age-old adage: the one paying the taxes is the one who should be represented vis-à-vis the authorities enacting the taxes. Correspondingly, the opposite is true of the one not doing the taxpaying. Persons not assuming responsibility and therefore unable to appreciate the real meaning of persistent labor – of study at school – are unable to control themselves. Insofar as hounding down the minority goes along well with a chance to be entertained as well as get a kick out of the enjoyment of power pure and simple, this becomes a thoroughly widespread thing to be observed.

More and more cases of mass violence in schools⁴⁴ make it problematic to carry on practices of this kind when the violence makes it into the mass media. This is because of the emotional appeal and the ability to evoke viewer response – a "memorable story" (as per Mullainathan and Shliefer 2002) – but certainly not as a result of journalists' special commitment to pursuing the truth. Politicians – those party representatives bound to school professional unions' interests – are naturally committed to a notion which is catastrophic, but also convenient for their clients. So there can be no question of giving it up. As a result, a problem initially spawned by state interference in matters of education is treated by means of intensified state interference. This is despite the fact that crimes of this kind are much easier to prevent than to investigate. Even so, the responsibility of the teacher and the principal are transferred to the criminal investigator and the policeman.

Thus, the US has enacted an entire complex of laws against "bullying." Their inefficacy in the era of modern information technology is supposed to be compensated for by means of ever new, even more doubtful laws "against internet bullying."⁴⁵

Naturally enough, the problem is less acute in private schools. The administration's and the teachers' responsibility for maintaining order is preserved, thus permitting teachers and students to devote at least part of the total time not to free development, but rather to normal learning. This explains the behavior of those parents who are willing to send their children to a Catholic school (to take an example), even when they do not share the views propounded by this particular faith.

As a result, the success rate of the religious schools in the US, Canada, and Israel, schools which do not always provide an extremely high-quality education, is easily explained by one single factor: teachers in these schools are still responsible for discipline during class. Hence the noncompetitive condition of state schools and their constant demand that private schools be outlawed.⁴⁶

One of the means of fighting competitors that state education resorts to may be interference by state law enforcement agencies and social services which urge children and teenagers to slander their parents and

⁴² Bullying involves physically and/or psychologically terrorizing a child by a group of classmates, or a similar phenomenon in the military (hazing or harassment of younger servicemen by older ones). The term can also serve as a synonym for "mobbing" (as per the definition provided by the Abby Lingvo dictionary).

⁴³ <http://www.pioneerthinking.com/ara-meangirls.html>.

⁴⁴ See <http://www.theatlantic.com/national/archive/2010/03/bullying-and-the-phoebe-prince-case/38221/>.

⁴⁵ <http://www.schoolsecurity.org/trends/bullying.html>.

⁴⁶ The following is a rather typical example: http://blogs.warwick.ac.uk/pyuebw/entry/ban_private_schools/; see also Caningham 2002 on the history of pressuring private schools in the Province of British Columbia in Canada.

teachers. A father intimidated by law enforcement agency employees or social workers – to say nothing of a teacher – cannot provide the child with an adequate notion of what is permitted and what is not. The absence of prohibitions leads not only to the emergence of perfectly amoral persons in the long term, but also to the loss of ability to learn in the short term, and all this because the child is essentially unable to grasp the point of studying foreign language verb forms, theorem proofs, or historical events or outstanding personalities, no matter whether sacred, national, or world history is at stake. Having thus paralyzed any means of punishing hooliganism, it becomes simple to destroy the advantages of private schools as compared to state schools.

Having as if “bought” their authoritative status in the eyes of the children by “liberating” them from a labor-intensive routine, leftist teachers simplify achieving their own objective of using schools exclusively for the purpose of “socialization,” a term meaning adaptation to a certain milieu constructed by ideologists.

True enough, in the course of this process, certain limits were reached. Beyond these limits, society begins to resist more and more energetically. As a survey conducted in May 2007 in Sweden has shown, an overwhelming majority of parents and 75% of the 15-year-old students express a preference for stricter discipline enforcement in school. The rightist parties in Sweden capitalized on this issue in the 2006 election campaign. Insofar as the same position is shared by approximately 70% of the Social Democratic supporters, the supporters of using schools exclusively for “socialization” found it difficult to resist the law which authorized teachers to confiscate cell phones or to chase hoodlums out of school.

In the late 1960s, G. Roche demonstrated how fundamentally mutually incompatible are the “permissive” approach or refusal to maintain discipline and high quality education.⁴⁷ The same author noted the mutual incompatibility of “objectivistic” (or so called “narrative”) or relativistic approach and high quality education. The teacher must impart knowledge to the student, instructing the student in a learned approach to studying, i.e., in the ways of free discussion based on facts and proofs, in which any position may be subjected to verification and rejected if it fails to pass the test. The leading “prize” in a learned discussion is coming close to the truth. But how can someone incapable of rejecting leftist dogma do that? Most importantly, how can someone personally certain of the non-existence of truth as such successfully search for the truth and teach students to engage in such a search?

Talent as Illness, Illness as Norm

The “struggle for equal results” must be brought up among the reasons for the drop in the quality of education. This refers to the must of “including” in the process those children, who are incapable of dealing with the regular high school curriculum; it also involves ignoring the needs of talented children.

Thus, in a report on the reasons for English school students’ failures in mathematics,⁴⁸ the author indicates... the “insufficient involvement” of the less advanced students; among the shortcomings of the American system of education he also lists the system’s contrasts: how it preserves the opportunity for both parents and children to resist equalization, thus permitting the talented to forge ahead and become leaders. The system does not torture the slower students with artificial “involvement,” a practice which probably makes the “middling” or average students suffer the most, since they have to wait for the students lagging behind while themselves not having any way to compensate for the failures of the school by resorting to their own talent or purse.

Among other points made in the report, which are worthy of attention, is the report’s way of explaining the lag of English students in school behind the Swiss, there being a substantial difference at the time in hours of instruction (nearly six academic hours in Switzerland, and just a little over four hours in England). This lag is not compensated for even by a certain advantage in human resources. In England, the share of teachers with a specialized education in math is noticeably higher than in Switzerland (even though the survey deals only with school students aged 12-13, while the advantages of a specialist in math as compared to a general all-subjects pedagogue are rather more likely to manifest themselves in the more advanced classes). Campbell in his note⁴⁹ also admits England’s clear lagging behind in international comparisons of the quality of mathematical skills, but proposes a recipe of increased spending on education, including spending on monitoring skills quality.

The “Liberal Bias” in the Press: The General and the Particular

Media System Models

⁴⁷ Roche 1969.

⁴⁸ Prais 1997.

⁴⁹ Campbell 1996.

Using the education process for propaganda purposes (for gaining control of the population) goes hand in hand with the well studied processes of gaining control over the printing press, the TV camera, and the microphone. Insofar as these processes are mutually complementary, we should take a close look at the most recent history of the media markets.

Rules of political correctness, having in the last few decades become deeply rooted (see Chapter 9 for more detail), led to the emergence of a cartel of sorts on the media market, which is capable of inflicting punishment for non-conformist behavior (deviation from the leftist liberal standard of presenting events). Various versions of an explanation have been offered for such a state of affairs, for instance, by Sutter⁵⁰ and Shleifer and Mullainathan.⁵¹

An attempt systematically to present the situation and to predict the course events will follow in the nearest future has been made in the work by D. Hallin and R. Mancini, titled “Comparing Media Systems.”⁵²

The authors single out three principal media system models (media market models) in the developed countries:

- the Mediterranean polarized-pluralistic;
- the North-Central-European model of democratic corporativism; and
- the North American (“liberal”).

This last model is based on the domination by private commercial mass media of the state, public, party, and other kinds; that is, on the independence of the mass media, which, incidentally, also raises the professionalism level of the workers in this area.

This conclusion is based on the growth in the share of commercial mass media (including television channels) in Europe.

However, it should be borne in mind that state support (whether by means of budget monies or coercive collection of resources from owners of TV or other sets with access to state or “public” TV and radio channels) makes these channels invulnerable in the political news sector.⁵³

Let us take note especially of the concept of “professionalism.” It consists of a number of principal elements:

- Autonomy (from owners);
- Availability of special professional norms, including professional ethics, as well as an exaggerated self-appreciation (self-assurance or “self-conscious identity”); and
- Self-positioning as agents of society who serve society.

This last element binds together “professionalism” with an ideologized approach, grounding society’s proverbial agents’ normal striving for power and their defense of their own economic interests (including monopolizing and being able to take advantage of costly equipment acquired by others).

The authors have collected a multitude of data and facts confirming the wide spread in almost all the developed countries of a “Liberal Bias” or a noticeable political influence of leftist ideology in the mass media.

From the point of view of institutions’ willingness to support an effective free electronic mass media market, the historical backdrop of the birth of radio and television has been ambiguous.

On the one hand, a tradition was already in existence of defending the freedom of the press. On the other hand, there was no understanding of how these rules may apply to radio, which was initially not taken to be a mass media channel for disseminating information. Finally, the wave of regulations (from artificial “anti-monopoly” legislation to redistributive action) was already on the rise, based on the gradual expansion and distortion of the limits of state power, on the idea of the “positive state,” and economically – on the tendency to maximize returns depending on the size and volume of the enterprise. These problems manifested themselves fully at the time of the appearance of the media markets in Great Britain, Germany, Sweden, and the US. A brief survey of their history is our next step.

The Public Mass Media in Different Countries

Great Britain: The BBC

The BBC is interesting primarily because it has become the model for a multitude of other similar companies. The British Broadcasting Corporation was founded in 1922 by a group of private companies, and was initially supposed to be a monopoly broadcaster. The list of the companies involved

⁵⁰ Sutter 2001.

⁵¹ Mullainathan and Shleifer 2002.

⁵² Hallin and Mancini 2004.

⁵³ See Mau, Yanovskiy, Javoronkov, et al. 2007.

speaks for itself in support of this version of the story: Marconi, Radio Communication Company, Metropolitan-Vickers (MetroVick), General Electric, Western Electric, and British Thomson-Houston (BTH).

The creation of such a company by potential competitors testifies to that the founders most probably did not expect radio programming to become a means to be taken advantage of commercially. At the same time, they acknowledged the public usefulness of this relatively new, but by then technically thoroughly developed resource.

Five years later, in 1927, the company was granted a royal charter for broadcasting (thus practically a monopoly). The BBC was thus taken out of private hands; that is, it was nationalized. At the time, such a change would have been difficult to implement against the will of the owners. Both the private company and the new corporation were headed by the same person: John Reith. The burden of financing this structure was shouldered by the taxpayers since 1927.

Thereafter, to speak of free and honest competition on the radio and television market in Great Britain has been superfluous. Up until 1954, the BBC formally remained the only legal TV broadcaster, and up to 1972, it continued as the only legal radio broadcaster in the country.⁵⁴

Reith's struggle for autonomy from those paying for his enterprise was so successful that a stable illusion took shape of the possibility of combining coercive state financing and independent mass media (the "public broadcasting" model⁵⁵). The disclaimer should be made that upholding the general notion of the BBC's outstanding success was something that both the corporation staff and the numerous officials were interested in, who counted on the aid of the leading national means of the mass media in the struggle for extending the care for everything and for everyone at the expense of budget resources.

The BBC has been generally conceived of as a paragon of professionalism and impartiality. But in England, the disputability of this view is obvious to many people. The company formally adheres to a "balanced approach," meaning equal presentation of the opinions of different sides to a debate or a conflict, of the government and the opposition. But how to balance (for instance, who should be represented as parties to the conflict, who should be invited as the different sides), is a matter decided by journalists and editors. That is, they have the unlimited license for manipulating public opinion without taking facts into consideration. The BBC resisted all the essential reforms of Margaret Thatcher's government. Even the government of Tony Blair was subject to attacks from proponents of the extreme leftist, practically pro-terrorist views.⁵⁶

At the time of the Falkland Islands crisis in 1982,⁵⁷ the way events were being represented showed the BBC leadership's and staff's certainty: in this case, objectivity and impartiality meant equal treatment of one's own and the enemy's soldiers. The same attitude toward the Argentinian military, which had terrorized its own population, and Britain's own military, sent abroad to fight by order of its government – the government which had been voted into power by the very people paying for the BBC's ability to air its broadcasts.

The Corporation demonstrated evidence of its achievements in the struggle for independence from the authorities.⁵⁸ The evidence shows that at the time of the war, BBC workers believed they had the right to impose their expertise and their point of view on elected leaders, including the Prime Minister, going as far as debating the question of whether Margaret Thatcher had the right to allow an Argentinian warship to be sunk just when the UN was putting forth yet another ceasefire plan.⁵⁹

As per the Corporation's own admission, among its typical responses to complaints by the taxpayers were: "It is none of the BBC's business to raise the morale of the British military," and "A widow in Portsmouth is no different from a widow in Buenos Aires." Payment for using a TV set is collected from the widow in Portsmouth automatically. Apparently, this is so stimulating and so impressive, that it makes it possible to treat the English widow and the widow of an enemy soldier in the same way.⁶⁰

The BBC's reputation as an impartial and objective radio channel began to take shape as a result of Reith's successful maneuvering between the government, the opposition, the professional trade unions, and the

⁵⁴ "British Broadcasting Corporation (BBC)," *Encyclopedia Britannica* (henceforth: EB, 2006).

⁵⁵ Hallin and Mancini 2004.

⁵⁶ Ibid. Such a shift is generally typical of the company, almost embodying its official policy (Beckford 2008).

⁵⁷ A war between Great Britain and Argentina.

⁵⁸ http://www.bbc.co.uk/heritage/in_depth/pressure/index.shtml/.

⁵⁹ http://www.bbc.co.uk/heritage/in_depth/pressure/falklands.shtml. («Margaret Thatcher questioned on Nationwide».)

⁶⁰ http://www.bbc.co.uk/heritage/in_depth/pressure/falklands.shtml.

previously emerged authoritative printed mass media, beginning with the reporting on the General Strike of 1926. At the time of the strike, only the governmental *British Gazette* and the unions' *The British Worker* appeared, while the BBC had the chance to enter the political news market and break the prejudice about the new means of information. After the strike was over, Reith openly complained (in print) about being pressured by the government, which had not permitted an interview with leaders of Labor and the Confederation of Trade Unions.⁶¹ Reith was a rather demanding leader in whatever concerned choice and quality of the programs. He did not simply have good taste and education, but was also a convinced believer in the enlightenment mission placed upon his shoulders and the shoulders of his subordinates.

However, the key step in achieving the BBC's world reputation came after Reith's day,⁶² during the years of WWII. The London radio station became the center of propagandistic opposition and struggle for the Europeans' sympathy and support, all while enjoying a colossal head start and an almost ideal opponent – Nazi propaganda.⁶³

The first, partly successful attempt to destroy the monopoly was undertaken by the Conservative Party after it came to power in 1951. But Labor supporters managed to prevent a private media company from entering the market, manipulating the pro-monarchic sentiments of the English public against the Conservatives. Justly indicating the resemblance between the proposed institutional changes and the American model, the Left succeeded in tying this process into one bundle with the anecdotal case of American TV companies' reporting of Elizabeth II's coronation: the ceremony was interrupted by commercials. A character in one of the advertisement breaks was a monkey popular at the time in the US, a circumstance which provoked an outburst in response from the English public. Having thus conflated the free market on television with tastelessness and tactlessness, Labor supporters took advantage of the more than obvious conflict of interests in this case of the working BBC and its enormous resources for influencing the public, and mobilized public opinion against reform.

In the end, instead of a private company, yet another state company was born, controlled by the newly created Independent Television Authority. The new company was different only in its greater emphasis on commercial – that is, popular – broadcasting. This together with the TV audiences' obvious irritation at the BBC's monopoly led to the rapidly growing popularity of the new television channel by drawing viewers away from "public" television.⁶⁴

This weakening of held positions did not, however, cause any oscillation in the BBC monopoly on the political broadcasting market, since political news remained clearly beyond the limits of independent TV priorities.

The second, more energetic, but also not quite successful attempt at de-monopolizing the political news market was undertaken under the Thatcher government, something that made for tension between the Prime Minister's entourage and the BBC. The reaction was almost the same as during the "media war" in 1954, when accusations of a catastrophic lowering of broadcasting standards were to be heard. However, as leading Labor critics of the Broadcasting Act of 1990 admitted, the effect of the sharp growth in possibilities to choose from for the consumer was so impressive, that the political chance of counter reform along these lines simply disappeared. The Labor supporters who had criticized it did not try any of the moves necessary when they did come to power.

But without the liquidation or privatization of the BBC, success did not provide the reformers with any positive outward effect in the guise of a drastic increase of their support in the mass media along with a weakening in the resources of the enemy, as had been the case at the time of Thatcher's decisive action against the picketers defending the media magnate R. Murdoch's property.

It should be noted that the reform itself was rather limited. Rather than the conceivable radical privatization (by selling frequencies along with the right of re-profiling media projects into communications ones and the other way around), it reduced to a limited liberalization and de-regulating of the television and radio broadcasting market. This was to be explained by the fact that the leadership, and especially Thatcher's reforms themselves were constantly being challenged by the "aristocratic" nucleus of the party leadership committed to socialist-paternalistic notions (of "social responsibility" and the like; for instance, one of the reform critics was D. Hardt, an influential deputy and minister).⁶⁵

Sweden

⁶¹ Wilby 2009.

⁶² According to his daughter, the BBC's first head had sympathies (sentiments we should qualify by noting that they were quite typical of paternalistic aristocrats at the time) toward the German variety of socialism and personally toward Hitler (Leishman 2007).

⁶³ "I heard it on the BBC" had a new meaning — 'I know it must be true.'" (Orwell 1944)

⁶⁴ "Independent Television," *EB* (2006).

⁶⁵ Peregodov 1996.

Swedish Radio was founded in 1925 as a state organization financed by the taxpayers. During the years of its operation, it targeted the British BBC standard, which from its point of view seemed to be appealing.

Beginning in 1957, this organization has been both radio and television broadcaster at the same time. In 1979, Swedish Radio was revamped and divided into two radio channels, the all-national and the “local” (the division being based on broadcasting topic) and two TV channels, the national (Swedish Television) and the Education Broadcasting channel. In 1993, the two radio channels united under the old label of “Swedish Radio.”

Beginning in the mid-1980s, commercial TV channels began to enter the market. The share of state-funded TV (by number of viewers) in 2006 dropped to below 50%. But the private broadcaster did not have the resolve to compete in earnest in the news sector of the market, especially in political news reporting, against a broadcaster coercively funded by the state (where monies for “public television” are collected in a compulsory fashion from every TV set owner.)

The Problem of the “Leftist Bias” Of the hundreds of news reports which went into the “Politics” section of Swedish Radio in 2007-2008,⁶⁶ only a few report the actions of the rightist-center cabinet in a neutral manner. By contrast, dozens of articles of openly leftist affiliation accuse the coalition in power or its leaders of inappropriate behavior or else accuse members of the coalition of being incapable schliemazels.

The argument about the “natural opposition” to authority of any kind does not work in this case, since we are not here dealing with an independent private centrist radio station, but with mass media financed by the taxpayers, whose sympathies follow a distribution pattern quite different from the one of the Swedish Radio editors.

Germany

The history of the means of mass media in modern Germany begins in the second half of 1945. The Nazi regime devoted a great deal of attention to propaganda. Unlike what happened in the other spheres in domestic affairs – industry, trade, agriculture, education, or science – in this area, the regime was not in the least concerned about maintaining certain isolated elements or even the appearance of the order of the Weimar Republic: newspapers displeasing to the regime were shut down, journalists either disappeared from public life, or else demonstrated their loyalty to the ideas of National Socialism. The entire system of the means of mass media was subjected to such thoroughgoing changes during the years of Nazi rule, that after Germany’s defeat in WWII, a return to mass media of the kind which had been in evidence in the Weimar Republic was unthinkable.

The general principles of development for the German press after the occupation of Germany were worked out by the US and Great Britain a few months before the end of the war. The occupying powers needed the mass media in German in order to address practical concerns – providing the population with information and propaganda work. They also needed to ensure that no Nazi propaganda or resistance against the occupying powers would take place. The solution proved simple: all the newspapers and radio stations which had been in operation in Nazi Germany were unconditionally closed down. Any mass media, whether in print or electronically, could operate only as per a license granted by the occupying powers.

There were radically different approaches to the creation or creation anew of print and electronic mass media. While private entrepreneurs enjoyed the support of the occupying powers in reconstructing newspapers which had been closed down under the Nazis, there was no reconstruction of private radio broadcasting. This was explained by both economic-managerial and political reasons.

In the American occupation zone, a pragmatic attitude predominated: regular radio broadcasting resumed in Berlin in December 1945, where it was done by an organization completely controlled by the American Administration, while in Bavaria regular radio broadcasting resumed only in September 1947, and was almost immediately under the control of the Bavarian authorities.

In the British occupation zone, the renewal of radio broadcasting took place with the participation of workers of the German service of the BBC. The then emerging Northwestern German radio (Nordwestdeutscher Rundfunk) was taking over the organizational principles of the BBC: financing by means of compulsory payments collected from the populace, a journalistic corps independent of political parties, entrepreneurs, and listeners, and a postulated set of non-partisan positions and impartiality.

Setting up private radio stations was virtually impossible. Quite likely, the American occupying authorities would have been willing to grant a radio broadcasting license to a private enterprise, had there been such an enterprise in existence, but the economic predicament and public life in Germany assigned such a possibility to the realm of the fantastic, and this for the following reasons:

Since 1924, radio broadcasting in Germany was financed by monies levied from radio set owners, a fact which had a negative impact on the development of the radio advertising market;

⁶⁶ <http://www.sr.se/rs/english/index.htm>.

Many radio broadcasting specialists – journalists, technical and administrative personnel, supporters of democratic parties, that is, people who could apply to the occupying authorities with a request for a license and have a high chance of being granted one – had been persecuted by the Nazis and either been annihilated, or else emigrated, or else changed their occupations;

Unlike newspapers and magazines, radio stations could not substantially reduce expenses by shifting to less high quality materials, lowering their frequency of production, or using low-quality equipment;

The destroyed industry, the reduction in the circulation of money and income levels, the administrative redistribution of resources, the export of industrial equipment as reparation payments, all practically destroyed the advertisement market, which had been the chief guarantee for the existence of independent means of mass media of information.

It should also be taken into account that the mass destruction of cities and towns in 1943-45, the defeat in the war, the occupation of the country, and attending changes in German economic life – administrative redistribution of goods, reduction in monetary exchanges, replacement of professional participants in the market by state structures – all contributed considerably to the spread of socialistic thinking in society. Thus, for example, the idea of nationalizing all heavy industry enterprises was supported not only by the restored Social-Democratic Party in Germany, but also by a series of local branches of the Christian-Democratic Union then undergoing restoration. Under these conditions, belief in the need for public control and prevention of private initiative in the mass media were close to the hearts of large segments of the population and the social elite. The obvious threat of communist propaganda endorsed by the Soviet Union, along with the memory of the role played by the nationalistic Nazi press in Hitler's coming to power, also aided the dissemination of views about the must of limiting the freedom of the press. The conviction that democratic freedoms must not be taken advantage of to advance propaganda of totalitarian views was shared by the political and social elite in post-war Germany, finding its expression in the Basic Law of the Federal Republic of Germany.

In conclusion, another factor needs to be brought up, which had a significant impact on the development of the public mass media in the Federal Republic of Germany. This is the uncertainty swathing Germany's future during the years 1945-48. As a result of the differences of opinion concerning the future of Germany between the Western allies and the USSR, on the one hand, and the differences among the US, Great Britain, and France, on the other, the development of the modern German state did not begin by creating anew any centralized structures of state. First, the occupying power restored local self-government (1945). Next, regional governments took shape, along with the corresponding governmental agencies (1946), and only then did the Federal Republic of Germany and federal authority agencies appear (1948), a sequence of events which assigned considerable powers to the regional authorities, including mass media control.

Electronic “Public Mass Media” Monopoly (1945-1984)

As has already been pointed out, radio broadcasting in post-war Germany was organized by the occupying powers all while differences of opinion obtained among the American, British, and French Administrations' views.

In the American sector, the development of electronic mass media was decentralized, with broadcasting separately organized in Bavaria, Hessen, Baden-Wuerttemberg, and Bremen – that is, in all the federal lands located within the American zone of occupation.

In the British zone, a centralized structure was created in the image and likeness of the BBC, called “Radio of Northwestern Germany.”

In the French occupation zone, broadcasting was also done by a centralized structure called “Southwestern Broadcasting” (Sudwestfunk).

West Berlin continued under occupation regime; this and the need to withstand the Soviet Union and the German Democratic Republic led to maintaining the “American Sector Radio” (Rundfunk im amerikanischen Sektor, or RIAS) as a radio station managed jointly by the American occupation authorities and the German station personnel. The existence of “American Sector Radio” led to significant consequences for the development of public mass media in the Federal Republic of Germany: German journalists had the opportunity to acquaint themselves with various technologies and program and administrative decisions worked out and used in the US. The existence of a radio station upholding anti-communist views lowered the likelihood of the spread of “progressive” and leftist notions among German journalists. The development – particularly as far as its technical equipment is concerned – of the “American Sector Radio” was also aided by the technical counterpoint from the German Democratic Republic. Signal jamming, which had begun almost immediately after broadcasting was launched, led to the introduction of more powerful transmitters, extension in their spread geographically, and transition to more stable broadcasting ranges. As a consequence, the receptivity zone of the “American Sector Radio” expanded considerably, including almost the entire territory of the Federal Republic of Germany.

A crucial step in the development of public mass media in the Federal Republic of Germany was the creation in 1950 of the ARD, or the Working Group of Electronic Public Means of Mass Media of the Federal Republic of Germany (Arbeitsgemeinschaft der öffentlich-rechtlichen Rundfunkanstalten der Bundesrepublik Deutschland). This incorporated all the regional broadcasters, as well as the “American Sector Radio” in the capacity of advisor. Later, the composition of the ARD changed in accord with changes in the structure of the regional broadcasters, division or union, as well as with the appearance of the “public mass media” being set up anew during this period.

The system of management and the organizational scheme of the ARD also changed with time. Cardinal changes took place in all crucial respects: normative-legal control, distribution of authority, principles of conducting management. Beginning in 1950, the ARD turned from a working agency created for the purpose of effectively using regional broadcasters’ resources and eliminating excess repetition, as well as organizing the exchange of programs among regional broadcasters – into a large-size player on the electronic mass media market, with its budget exceeding multifold the budget of any regional broadcaster. At the same time, the essential principles upon which the ARD was originally founded remain unchanged up to this day. The following should be singled out from among them:

- Preserving organizational and management independence of regional broadcasters;
- Formation of management and directing offices and involving representatives of regional broadcasters;
- and
- Geographic decentralization of entrepreneurial and management subdivisions.

At the time of the creation of the ARD and German television, principles of German federalism were strictly adhered to, in a way similar to how they were in use when agencies of state authority of the Federal Republic of Germany appeared in what concerned putting into effect those authorized functions which had been relegated to the joint competence of the federal authorities and regions of the Bundesrepublik.

Television broadcasting was launched in the Federal Republic in late 1952. Program production and signal dissemination took place as per the initiative and the resources of the German Northwestern Radio. Two years later, in late 1954, the ARD enunciated the decision to extend broadcasting to the entire Federal Republic, with program production largely realized by efforts of West German Radio.

The ideological opposition between the Federal Republic and the German Democratic Republic led in 1953 to the appearance of the “German Wave” – a radio station broadcasting to other countries, first of all, to countries of the Soviet Bloc. It is essential to note that the German Wave, a full-fledged member of the ARD, was financed at the expense of the federal government budget of the Bundesrepublik. The German government thus had the mediated opportunity to represent its interests in the ARD. The principal aim of the activities of the German Wave was broadcasting to foreign countries with socialistic or totalitarian regimes, as well as transmitting German Wave broadcasts in the Federal Republic. This served to restrain other ARD members somewhat in issues of reporting about events in the socialist camp, the Soviet Union, and international politics.

The creation of the ARD and the considerable concentration of the regional broadcasters’ resources on organizing televised broadcasting did not lead to any intensified centralization in radio broadcasting. Regional broadcasters went on actively developing radio broadcasting, with two main tendencies especially noteworthy in this connection: the regionalization of radio broadcasting and the division of broadcasting into entertainment, informational, and educational. The radio stations being set up anew would be granted partial management and organizational independence within the regional broadcasters’ framework. On the one hand, this would lead to the accumulation of organizational and professional experience by the regional broadcasters and their enhanced administrative weight and opportunities. On the other hand, it was accompanied at the same time by the preservation and development of competition among separate elements of the “public mass media” system.

1955 became the year of the appearance of the public mass media system in their contemporary form in the Federal Republic. German Northwestern Radio split into two independent organizations: North German Radio and West German Radio. This decision was taken in February 1955. The radio broadcasting division took place on January 1, 1956, and the TV broadcasting division in 1961. In effect, this amounted to a refusal to set up a German analogue of the BBC. The FRG system of “public mass media” took on features that singled it out in a prominent way from other countries. On the one hand, the work of private TV and radio stations became practically impossible; private broadcasting played no role at all on a state-wide or regional scale. On the other hand, no creation of a centralized structure took place, which would possess a de facto monopoly on the electronic mass media market. Competition among regional broadcasters on the radio market became obvious. The accepted model of the development of television – cooperation among regional broadcasters, emergence of governing agencies and broadcasting network of “public television” by means of delegating representatives and allotting regional broadcaster resources while also ensuring the preservation of their organizational and management independence – all this also ensured a certain level of competition on the TV broadcasting market.

The FRG postal service, responsible for the dissemination of TV signaling, conducted works in 1960 to provide technically for the possibility of a second TV broadcasting channel. K. Adenauer's federal government undertook an attempt to organize an alternative to the ARD and German TV's first channel. Significantly, the government offered to organize a commercial TV company as a society with limited responsibility. Such plans concerned the most vital questions in the political struggle among the principal political parties, since, for the Social-Democrats, the very idea of private electronic mass media seemed doubtful at the very least. Regional governments in Hamburg and Hessen, controlled by Social-Democrats, appealed to the Constitutional Court and managed to have the federal government's decision repealed. The compromise decision was to come up with a second TV company in the organizational-judicial guise of "public mass media." Thus, 1961 saw the resolution about founding the ZDF (Zweites Deutsches Fernsehen), or German TV Second Channel. Unlike the first channel, controlled by the ARD, the ZDF was more focused on entertainment and sports programs. A news program of its own emerged only 10 years after broadcasting began, in 1973.

The late 1970s can be described as a golden age of the "public mass media" in Germany. The overwhelming majority of the population and its elites were satisfied with the state of affairs on radio and television; dissatisfaction from either left or right did not portend a direct threat to the existence, financial stability, administrative weight, or independence of the "public mass media." The production and management system provided for taking into consideration the interests of the principal public groups – political parties, regional elites, professional trade unions, the Church, and public organizations.

Let us then enumerate a series of significant factors contributing to the emergence of the "public mass media" system in the FRG:

Germany's defeat in WWII led to the elimination of the mass media from the Nazi period. In 1945, the mass media system was created in effect from zilch, a fact which permitted the borrowing or the creation of organizational forms and program principles fully in correspondence with the principles of the Federal Republic's Constitution. There was no resistance of institutions or particular persons connected with previous regimes (the Nazi or the Weimar);

The occupation of Germany, ideological struggles among the Western allies and the Soviet Bloc conditioned the existence of the electronic mass media controlled by the US. This permitted considerably lowering the expenses associated with borrowing the most modern technical and program decisions available at the time in the US;

At the time of the creation of the "public mass media" in the FRG in 1945-55, a process was taking place of importing institutions, primarily at the time of the attempt to create a German analogue of the BBC with the help of the occupying British authorities;

Instead of "importing institutions," a series of events took place, which amounted to independent development; as a part of this, principles of German federalism, worked out at the time of the formation of the Basic Law of the FRG and the organization of agencies of state power, were used in the creation of the "public mass media" system, as well;

A system was formed, characterized by decentralized management and production, which ensured competition among the "public mass media" by endorsing the organizational and management independence of individual broadcasters;

The consensus preserved among the elites and special interest groups concerning the must of democratic development in the FRG and of preventing a return to totalitarianism permitted the formation of a system of management of the "public mass media," which largely ensured reporting about events in a way which corresponded to the principles shared by most of the population.

State and so called "public" mass media are based on compulsory financing by the taxpayers of views divergent from their own. Naturally, no acceptable measures are available, and none will be, for achieving non-shifted and impartial reporting of political issues with such mass media without resorting to censorship. It appears desirable to legislate a prohibition against coercive funding of the views of others; requiring that the mass media be privatized follows from this in a logical manner.

This, of course, does not solve the problem of domination by formally private mass media which are owned by persons informally connected with the authorities. However, given normal political competition, such a state of affairs cannot become widespread or pose a threat to honest competition on the media market.

Freedom of speech is incompatible with state interference in the media market or with the "right to another's microphone."

History of the Control of TV and Radio Broadcasting in Legislative Acts in the US

The story of the development and control of electronic means of the mass media in the US is recounted in detail in Appendix III to Volume One. Below is a list of what appear to us to be the key legislative acts and precedent court decisions, which have significantly impacted the emergence of institutional frameworks in this section of the media market (Table 2.1).

Table 2.1

Document	Year	Content
Wireless Ship Act of 1910	1910	Compulsory requirement about using ship radio stations
Radio Act of 1912		Detailing of requirements introduced in 1910. Introduction of requirements about licensing of radio equipment by users.
Radio Act of 1927		Establishment of authorized agency of the US Federal Government in controlling the use of the radio frequency spectrum. Government authorization was limited by a decision of the court. Transition to three-year licenses based on the notion of "public welfare."
Communications Act of 1934		Repeat determination of assigning electronic mass media to list of issues to be resolved by the US Federal Government. Specification of authorized functions of the Federal Communications Commission. Definition of the radio frequency spectrum as a limited resource and specification of limitations for its users.
National Broadcasting Co. v. United States	1943	US Supreme Court confirmed the right of the Federal Communications Commission to specify particular limitations on the activities of radio companies managing a number of stations or having an impact on such stations' activity.
Red Lion Broadcasting Co. v. Federal Communications Commission	1969	Confirmation by the US Supreme Court of the constitutionality of the Fairness Doctrine
FCC v. League of Women Voters	1984 — 1985	De facto declaration by the US Supreme Court indicating that in case the Fairness Doctrine is repealed, the Court will not insist on its renewal. The Fairness Doctrine repealed (1985)
Telecommunications Act of 1996	1996	Establishment of unified approaches to the control of electronic mass media independent of technical mode of signal transmission. Reduction in authorized functions of the Federal Communications Commission. Set of regulations and events aimed at raising the level of competition.

Just as in Great Britain in the 1920s, neither the US government, nor the majority of entrepreneurs, nor the public had any distinct notion of that radio is more than wireless telegraph. There was no understanding of that this was a new mass media resource and that it required protection as per the First Amendment to the US Constitution. One of the consequences of this lack of understanding was a regulation rut, washed out somewhat only under President Ronald Reagan and based on a multitude of rules which were often thoroughly arbitrary and in obvious contradiction with each other, as was the case for the Fairness Doctrine vis-à-vis the First Amendment.

When the market was taking shape, a limited number of companies were given a head start. Despite the sharp drop in the cost of technical equipment, these companies continue to dominate the market, effectively converting their position into political influence (as, for instance, during the 2008 US presidential election campaign).

Inciting Hatred, or the First Amendment: Tendency to Limit Freedom of Speech

In countries of the old judicial democracy type, laws are in effect which prohibit the incitement of racial, religious, or other kinds of enmity and hatred (something we will henceforth refer to as “hate speech”). These laws operate with different degrees of intensity: from a high intensity level in Great Britain, Sweden, and Germany, to a low level in Canada. The traditional value of freedom of speech, taking its point of departure from Anglo-Saxon roots, knows no such notion, continuing to resort to terms such as “inciting to murder,” “slander,” and the like.

As has already been pointed out, excessive pursuit by the state of the struggle with extremism is far from innocuous. Occasionally, this assumes unexpected guises. Thus the Russian rights defenders who had initiated and then actively promoted the idea of anti-extremist legislation in the 1990s themselves became the legislation’s leading target (the attempt to level accusations at “Memorial” in St. Petersburg, with a search conducted and materials confiscated⁶⁷; the incident in Murmansk⁶⁸; and so on).

It should be mentioned again that the campaign for the creation of a Russian “anti-extremist set of tools” was being conducted precisely at the time when the country’s court reform was stalling, while the law enforcement agency reform was not taking off at all in any substantial way. At the same time, society’s attention was diverted to borrowing an institution poorly tested in Europe, rather than seeing to the entrenchment of the basic and well tested institutions instead. It should, therefore, come as no surprise that the ones receiving the blows of new “anti-extremist” institutions created *in such an environment* were not the aggressive marginal racists, but respectable rights defense organizations.

For additional comments on this issue see Appendix III below.

Ways of Reform

Technically and economically conditioned factors of lowering barriers which limit the right of entry to the media markets, including the TV market; new opportunities for distance education methods as a factor intensifying competition in education – support for home schooling, off-premises study, and so on – make the following recommendations particularly pertinent.

Education. In order to overcome the negative motivation issued by either state workers or parents, it is essential to eliminate the institution of coercive high school education. Any steps forcing parents to send their children to school or forcing the school to accept students must be limited to a modest number of clearly specified situation types. It appears that the following measures will be able significantly to raise the efficacy level of education, on the one hand, and of the media markets, on the other (that is, to separate the school from the propaganda and the propaganda from the school, to raise the competition capacity level on both markets, and to de-politicize schools.)

The voucher system’s a priori declared urgency (its being limited in time) as a form of transition to private (either commercial or non-commercial) education.

Collection of a goal-oriented (using a regressive scale) school tax (on the level of subjects of the Federation or local self-government) exclusively from parents of school-age children. They, as well as volunteers (contributors) above a certain level measurable in monetary equivalents take part in elections of school councils, which conclude agreements with executors for a period not to exceed the duration of authorized functioning of the school council, in order to lower the likelihood of the emergence of strong

⁶⁷ The St. Petersburg academic research center “Memorial” has had its illegally confiscated disks restored to it, 07/05/09, <http://www.hro.org/node/5402>; “The court has decreed the raid against the organization illegal, but this is no time to relax yet,” <http://www.polit.ru/news/2009/01/20/comment.html>; “The court has decreed illegal the search conducted at ‘Memorial’ (St. Petersburg),” 19:27:04, January 20, 2009, <http://www.gorodovoy.spb.ru/rus/news/crime/736093.shtml>.

⁶⁸ “Who killed the rights defender? It all began with the confiscation of the computer,” 24.06.2009, 10:13. <http://www.svobodanews.ru/content/article/1761295.html>. In this case, what is involved is not direct interference by an agency of the Ministry of the Interior. However, the very fact that a rights defending society takes it in stride, as a habitual situation, that their activities are kept closely track of by none other than the Administration for the struggle against extremism, reflects the law enforcement practices which have taken shape in reality.

interest groups of education officials. For the same purpose, introducing *a temporary prohibition against professional unions in education and the mass media*.

As privatization advances toward completion in education and the mass media, entry into the media and education markets will become possible for religious ethical monotheism networks. No faith, ideology, or worldview can expect to be accorded special treatment: atheism and political correctness are no universal standard to be seen as an alternative to religion in general.⁶⁹

The transparency standard for schools: test results, graduates' careers.

It is advisable to ensure contributors' rights at times of decision making, thus soliciting contributions for educational goals. For instance, following well worked out Anglo-Saxon models – which also have a Russian historical tradition of their own – transferring the principal authorized management functions to trustees' (or contributors') councils, such that each contributor meeting specified qualifying requirements would be allotted votes proportionally to the size of his or her contribution. The council of trustees appoints an executive director of a school, as well as makes decisions about the main purchases to meet school needs.

In high school education, parents paying for their children, persons having made contributions at a certain level, as well as persons paying taxes above a certain minimum, must have the right to vote in the elections of school councils as a species of trustees' councils. The need for such an office of local self-government disappears in case of privatized education; in that case, it simply becomes a superfluous structure superior to the council of trustees.

Also advisable is to prohibit introducing not only state, but also “private” regulations or any inner-university bylaws which limit the freedom of expression of views within different departments. Attempts to pull such limitations through by personal interference – particularly by means of methods close to violence or seizing others' property – must be persecuted as criminal violations, as well as by publishing information about the participants involved in such activities. Attempts to prevent competition – creation of new schools or universities discriminating against private or religious institutions of learning – should also be considered criminal undertakings, unless it is demonstrated in court that institutions of learning were being used for the organization and propagandizing of violence.

Mass Media We have already emphasized the rise in state interference in the affairs of the press, accompanied by spending on the creation of new mass media, including electronic ones, and spending on bookkeeping (i.e., under conditions which can objectively be seen as encouraging competition, rather than monopolization, on the market).

The legislation concerning guarantees of the freedom of speech must be further complemented by regulations affecting the prohibition against compulsory financing of the opinion of others. As an outcome of such regulations, the state will give up both the media active assets in its possession (so that they will be privatized) and the financial support it gives to certain chosen mass media. Another upshot of the same thing will be the state's rejection of coercive guarantees based on laws concerning “editorial independence,” insofar as private property is the leading guarantor of the maintenance of competition on the media market. Guarantees of this kind may be provided only as per a privately concluded agreement (for instance, if a property owner has no clearly expressed political views, or else has a strongly expressed preference for profitmaking; such an owner of property may be willing to guarantee independence for an editorial board in exchange for efficacy). Correspondingly, state interference in such a situation may only be permitted based on a court decision on the grounds of the proven fact that terms of mutual agreement have been violated.

The privatization of most of the frequency spectrum, including most of the frequencies controlled by the departments of the military, is conducted while preserving the freedom of media project re-profiling so as to convert them into communications projects and the other way around. The very notion of licensing should be

⁶⁹ Atheism in many people's eyes is seen as some universal non-religious worldview. The notion of “atheism” is often used as an attempt to replace notions of “scientific approach” and “scientific worldview.” An understanding along these lines stands in as much of a connection to empirically observable instances of state atheism (agnosticism) as ideal socialism does to socialism in empirical reality. Empirically real socialism is constructed based upon crude cults of certain historical personages, ones who are far from the best in history. Its customs and its rituals (frequencing mausoleums, pompous celebrations of birth and death anniversaries, appeals by Hugo Chávez to the spirit of Simón Bolívar, to say nothing of the construction of memorials during their objects' lifetimes) require blind faith and exaltation on the part of the adherents of empirically real atheism, an attitude comparable with the religious. We take the scientific worldview to be thoroughly neutral vis-à-vis religion. The reciprocal connection is also true. The toolkit placed at the disposal of objective study, proof, and refutation matured within a theological framework for thousands of years prior to the emergence of modern science. Any contrasting of the scientific worldview and religion therefore seems to be politically motivated and in some way bound up with the attempt to seize state power by interest groups. In some cases, these are groups connected with religious institutions, while in others – with trade and professional unions and state education officials.

ruled out, along with the possibility of state control in programming, and the like. The only admissible form of interference should have to do with standard private suits of slander, of protecting a business reputation, and so on.

Acknowledging education as a mass information channel.

Reforms can be put into effect only if they are implemented simultaneously. Otherwise, the risk of their being undermined by powerful political forces and interest groups appears quite high. The problems arising in connection with the influence of interest groups will form the focus of our attention in the next chapter.

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