

Back to Humboldt: Why Education Needs Freedom



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DETMAR
DOERING

Every three years some hundreds of thousands of 15-year-old students in OECD countries are interviewed by researchers about their competence in basic skills like reading, writing, and mathematics. Whether one likes it or not, the Programme for International Student Assessment (PISA) makes an enormous impact on policymakers. A country's low ranking usually leads to more or less hectic reform efforts and calls for more government funding for education. But is more money the best answer? Or should we strive to rediscover Wilhelm von Humboldt's dictum that freedom matters most? Although personal and economic freedoms have an enormous impact on the educational performance of a country, the topic is rarely investigated or seen as politically relevant.

While politicians often react to PISA results with more funding, experts have not believed in a linear correlation between money and educational results. "For the majority of OECD countries with average or high spending levels, there is essentially no statistical relationship between spending per student and outcomes in PISA"¹, a study by the European Commission stated in 2016 after the latest PISA results were published. The reasons for this are manifold. It starts with the general inability of the state to make efficient use of its resources. Egalitarian politicians tend to lower standards in order to make degrees available for everyone — thereby decreasing the value

of those degrees. Governments might have different ideas about what education should achieve than parents. In short, a state-run market for education might not work well no matter whether more or less money is spent.

If not funding, then, what could improve education? While there has been some research on the role of equality or the lack thereof in education, hardly any academic analysis focuses on the relationship between education and freedom. Perhaps egalitarians fear that freedom could lead to more inequality in education, whereas liberal-minded individuals fear that egalitarianism could lead to a down-levelling of education. However, freedom and equality do not necessarily contradict each other.

Most liberals would never dream of rejecting equal opportunity for all. Rather, they argue that forced equality leads to worse results and that a choice-oriented education system increases the general quality of education. Or, to quote Milton Friedman, "A society that puts equality before freedom will get neither. A society that puts freedom before equality will get a high degree of both"².

Those, however, are very specific questions about the organizational part of education, such as whether we should introduce school vouchers, charter schools, or private education. Although experts have tried, it is extremely difficult to analyze and compare the organizational elements, which vary hugely across countries, then correlate them with a country's educational performance. It might be a futile busi-

¹ European Commission (2016) *PISA 2015: EU performance and initial conclusions regarding education policies in Europe*, Brussels, p.11. Available [online]: https://ec.europa.eu/education/sites/education/files/pisa-2015-eu-policy-note_en.pdf. The authors of the PISA study agree: "Since 2006, standards in science have flat-lined, with less than a quarter of countries improving their performance". And that is despite a spending increase in OECD countries of 20 percent per primary and secondary student (!). Source: <http://www.oecd.org/pisa/launch-of-pisa-2015-results.htm>

² Bedrick, J. (2015) *Does School Choice Increase Inequality?*, Cato Institute Commentary, July 20. Available [online]: <https://www.cato.org/publications/commentary/does-school-choice-increase-inequality>



WILHELM VON HUMBOLDT (1767-1835)

Friedrich August von Hayek once thought him to be Germany's "greatest philosopher of freedom". In 1792, during the French Revolution, of which he was skeptical despite (or because of) his liberal creeds, Humboldt wrote his most famous book, *The Limits of State Action*, published posthumously in 1851. He showed that individual freedom and self-education were the proper basis of the state. For that purpose, the state would have to limit itself to its minimal size to protect the individual and their right to freedom.

Humboldt became involved in the politics of his native Prussia, sometimes as a minister in the royal cabinet or as a diplomat. As an outspoken liberal he was at odds with the monarch and was ejected from the cabinet several times for his critical attitude.

When he was in charge of a ministry (Minister for Education, 1809-1811, Minister for Estate Affairs, 1819), he proved to be an extraordinarily able administrator. In 1809, he launched a wholesale reform of the educational system that ended aristocratic privilege and gave a high degree of autonomy to schools and universities, as well as freedom of thought and research. Through his efforts, Germany became the country with the most highly developed educational system in Europe.

When, in 1819, the so-called "Karlsbad Decrees" curtailed the right to freedom of speech and other basic civic freedoms, he resigned from politics. In his old age, he preferred to dedicate the rest of his life to literary and linguistic studies.

His early work on freedom has continued to inspire liberal thinkers ever since – most notably, John Stuart Mill, who borrowed the main idea of his classic book *On Liberty* (1859) from Humboldt.

ness, too. What constitutes a good education is a complex question that can hardly be resolved with simple formulas³.

While the organization of an educational system undoubtedly matters, educational performance may well be strongly influenced by the overall dynamics of a society – whether it encourages education, whether knowledge is freely available or

suppressed, whether it offers intellectual stimuli for self-education, or whether people are challenged by competition.

All this challenges the conventional assumption that schooling is roughly the same as education. You are educated by all sorts of situations and challenges in life outside school. Your family, friends, job, and innumerable other things contribute to the development of personality and, thereby, to education. Therefore, the conclusion that freedom is a better tool for education than money spent on (state) schooling is, in the end, plausible.

³ This, by the way, is an important argument for why education needs freedom and why education should not be subjected to state planning.



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A life spent in freedom will yield better results in education than one dominated by political hierarchies and uniform social engineering by the state.

Though this may sound “economistic” to some people (especially those who complain about the largely imaginary dominance of “neo-liberalism” in the political discourse), this basic question about organization and educational performance echoes the ideas of traditional humanism as formulated in the late 18th century by Germany’s greatest liberal educational reformer, Wilhelm von Humboldt⁴ [See

⁴ For further information on Humboldt see Doering, D. (2004) “Philosopher of Freedom – Wilhelm von Humboldt and Early German Liberalism”, [in:] *Journal of Liberal History*, Issue 44, Autumn; Doering, D. (2006) “Wilhelm von Humboldt et les rigenes du libéralisme llemand”, [in:] Nemo, P. and J.Petitot (eds) *Histoire du libéralisme en Europe*, Paris.

Frame]. Freedom, according to Humboldt, is the best pre-condition for the development of human beings and should be the guiding principle in the political world. That may sound metaphysical and abstract to others. Thus, the question arises whether those assumptions are supported by facts and data. It is time to put the results of PISA in the context of other, freedom-related statistics.

WHAT ABOUT ECONOMIC FREEDOM?

Economic freedom may contribute most to competitiveness and undoubtedly improve educational performance. In public opinion, it may also be the most controversial. Its effect would be indirect as long as it does not affect the organization of the educational system directly. When comparing educational performance and government spending on education, most people assume a strong correlation showing that greater spending improves performance.

Luckily, we possess a tool to do this comparison. Since 1996, the Canadian Fraser Institute and a consortium of about 100 international research institutions (including the Friedrich Naumann Foundation for Freedom) annually publishes a study called “Economic Freedom of the World”. The comparative index measures the degree to which the policies of 159 countries support economic freedom. The cornerstones of economic freedom are personal choice, voluntary exchange, freedom to compete, and security of privately owned property.

Forty-two components and sub-components are used to construct a summary index and to measure economic freedom in five areas: 1) size of government; 2) legal structure and protection of property rights; 3) access to sound money; 4) international exchange; and 5) regulation⁵. Each component and sub-component is placed on a scale from 0 to 10 that reflects the distribution of the underlying data.

⁵ For the latest report (2016) see: <https://www.fraserin->

Since its launch, the index has confirmed that countries with a high degree of economic freedom enjoy higher average incomes, higher growth, higher life expectancy, and a higher degree of happiness than countries with a low degree of economic freedom. The question is, does this also concern education? If we rank the OECD countries in three groups according to their degree of economic freedom and correlate the data with their PISA results on a 1000-point scale (Figure 1), then compare it to OECD data on government spending (also ordered into three groups according to the share of public spending of GDP), the result may come as a surprise. While there is no visible correlation between government spending and PISA performance, the correlation between economic freedom and the PISA results is strikingly positive. The more economic freedom, the better the educational results [See Figure 1].

... AND PERSONAL FREEDOM

An argument could be made that this comparison neglects aspects of freedom that could be better linked to educational performance, namely, personal freedom. Of course, economic and personal freedom are deeply interwoven. Freedom of the press, for instance, is to most people a kind of non-economic freedom, but a closer look reveals that a substantial part of that freedom is identical with entrepreneurial freedom. On the other hand, there is a common prejudice of many anti-capitalist agitators that economic freedom can be separated from or are, actually, detrimental to civil freedom and the rule of law. However, one should rather argue that economic freedom is a specific application of the principles of civil liberties and rule of law. If reduced

to its core meaning, economic freedom means the freedom to conclude voluntary contracts with others and to have these arrangements protected by law.

Still, it is worthwhile to test whether what holds for economic freedom also holds for personal freedom. Does it correlate positively with the PISA results? In order to make this point, one can resort to the "Human Freedom Index", published by the Cato Institute (USA), the Visio Institute (Slovenia), and other research institutions.

The Human Freedom Index (HFI) is "the most comprehensive freedom index so far created for a globally meaningful set of countries"⁶. It "presents a broad measure of human freedom, understood as the absence of coercive constraint. It uses 79 distinct indicators of personal and economic freedom"⁷.

For our purpose, we have omitted the HFI's data on economic freedom so as to focus on the data on personal freedom. The data cover 1) rule of law; 2) security and safety; 3) movement; 4) religion; 5) association, assembly, and civil society; 6) expression; and 7) relationships.

When the data are related to the PISA results and held against government spending on education, the result is not surprising (Figure 2). Personal freedom has a profoundly positive effect on education, while government spending is fairly inefficient [See Figure 2].

PRIVATELY OR NOT? HOW TO ORGANIZE GOOD EDUCATION

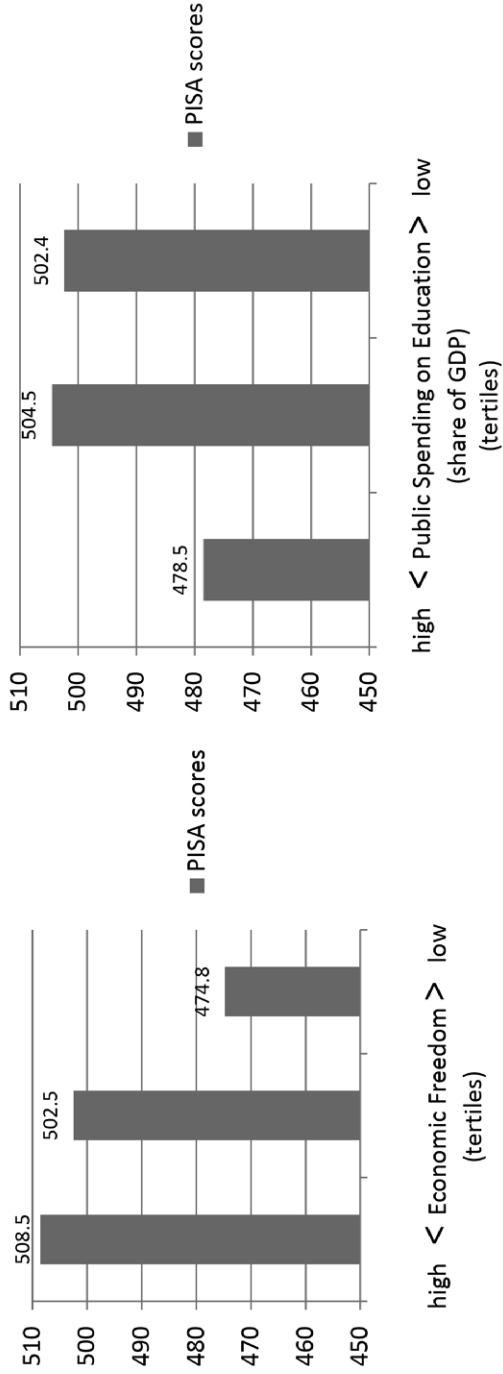
One could argue that freedom, or more specifically economic freedom, should go hand in hand with more direct freedom in

stitute.org/studies/economic-freedom-of-the-world-2016-annual-report

⁶ <https://www.cato.org/human-freedom-index>

⁷ <https://object.cato.org/sites/cato.org/files/human-freedom-index-files/human-freedom-index-2016.pdf>

Figure 1. Money or economic freedom?



Source: Economic Freedom of the World 2016 OECD/PISA 2016 OECD Data Education Spending

the organization of the educational system. Although it is probably impossible to measure, what we do know is the share of private spending on education in the OECD countries. It would be plausible, to say the least, that economic freedom would increase that share. However, it does not (Figure 3). Once again, we observe countries ranked according to their degree of economic freedom and their share of GDP in government spending. They are correlated with their respective share of private spending on education. Surprisingly, while there is no significant correlation between economic freedom and private spending, there seems to be a strong link between private and government spending. Thus, more government spending also means more private spending [See Figure 3].

There could be many explanations for this. First, you can have a state-run educational system that leaves a lot of choice to its “customers” (i.e., school autonomy). You can also have a system like in Germany, where almost all private institutions are subsidized by government and thus subordinated to fairly strict government rules that limit freedom. At the same time, in some countries, the government monopoly on education may bring about such terrible results that people try to escape into the small private sector, which therefore may become more costly because supply is not allowed to meet demand. Thus, private spending will be neither an expression of educational freedom nor of high quality standards.

Although all these matters cannot be resolved here, for the moment it might be sufficient to say that narrow organizational factors in the education system may not be irrelevant, but also do not play such a vital role in educational reform that many reformers think. Rather, it seems that the potential unleashed by the

general degree of freedom in a society has some impact on educational performance. This impact must be found within the individuals who live in that society and want to make use of it. In short: freedom unleashes creativity.

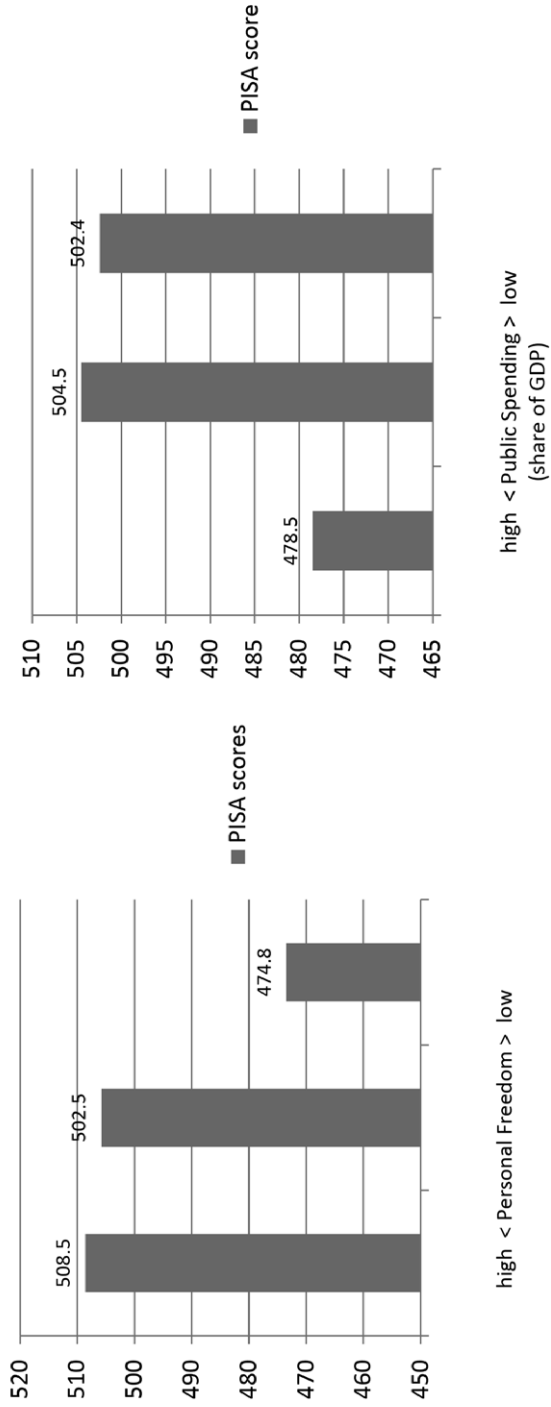
The more freedom, the less state coercion is needed to get people educated. In the end, one could, just like Humboldt, question the necessity of organized schooling at all. With less freedom, advancing through the state school system seems more necessary because there is less room for opportunity or creativity. Without the right credentials in low-freedom countries, you are locked into a hierarchy and economic/social class. At least in high-freedom countries, you can create opportunity, find an alternative, or have other chances to advance. You do not need the credentials or connections as much, although they might still be helpful.

CREATIVITY COUNTS

The close relationship between education and creativity should be obvious. So should be the relationship between creativity and freedom. In the Humboldtian tradition creativity is the goal of all educational efforts and freedom is its foundation. Humboldt had a point when he said that costly state-run educational facilities cement uniformity because government would invariably limit the scope of education to a narrow goal, such as the building of a national identity or the reduction to education as a vocational investment to train future workers.

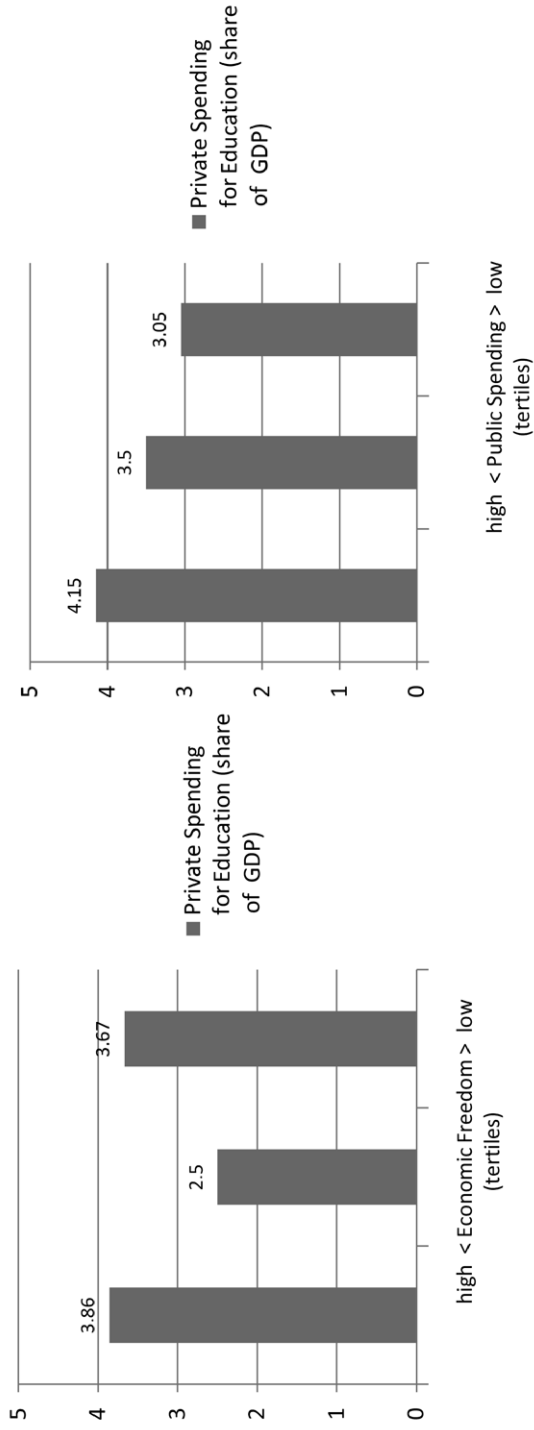
Luckily, there is an index that measures creativity as much as it can be done. The “Global Creativity Index” is published by the Martin Prosperity Institute at the University of Toronto. It “is a broad-based measure for advanced economic growth and sustainable prosperity based on the three Ts

Figure 2. Money or personal freedom?



Source: Human Freedom Index 2016 OECD/PISA 2016 OECD Data Education Spending

Figure 3. Private spending for education



Source: Economic Freedom of the World 2016 OECD Data Education Spending

of economic development—talent, technology, and tolerance. It rates and ranks 139 nations worldwide on each of these dimensions and on our overall measure of creativity and prosperity⁸. The data include, among others, the share of the creative sector in the workforce, investment in research and development, and degree of tolerance. They are on a scale from 0 (no creativity) to 1 (high creativity). “Countries that score highly on the GCI have higher levels of productivity (measured as economic output per person), competitiveness, entrepreneurship, and overall human development”⁹.

If you correlate the GCI data with PISA performance, the outcome is predictably clear (Figure 4). The higher the PISA score, the higher the creativity in a society. This must not be taken for granted. PISA is not a measurement of education in a Humboldtian sense. It is about the basic “technical” skills such as reading, writing, and calculating. Those are pre-conditions for creativity rather than creativity itself. However, creative people seem to care about the pre-conditions of their creativity when they are free to do so [See Figure 4].

FREEDOM UNLEASHES CREATIVITY

If this were the case, there should be a strong and solid correlation between creativity and economic/personal freedom. Let us begin with economic freedom by examining the correlation between how much more creativity is to be found in economically free countries and how much less creativity in economically unfree countries, as well as government spending on education (Figure 5). The difference between the effects of economic freedom and government spending is particularly visible in the highest-ranking groups [See Figure 5].

⁸ <http://martinprosperity.org/content/the-global-creativity-index-2015/>

⁹ Ibid.

Politicians cannot spend people into creativity. But they can *leave them alone*, that is, give them economic freedom. That lack of action does a lot to enhance people’s creativity simply by giving them more opportunity to develop it.

What about personal freedom? The Human Freedom Index may give us the answer [See Figure 6].

Personal freedom, too, enhances creativity, as most people would expect. As can be seen, the amount of creativity that stems from personal freedom is slightly bigger than the one that correlates with economic freedom – particularly in the top level.

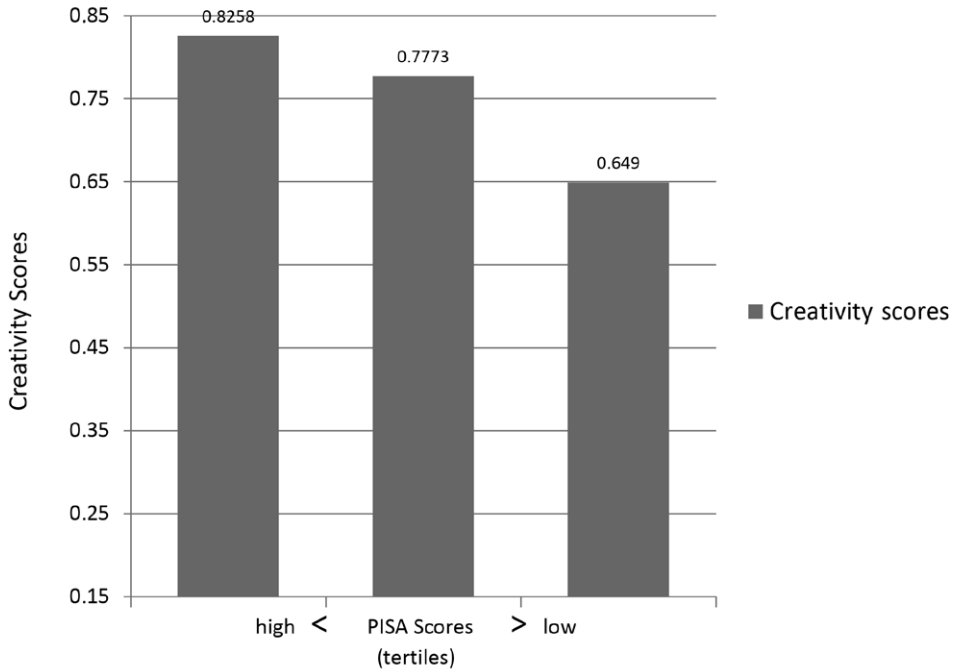
Again, one must not over-estimate this because it is within the statistical margin. Thus, it may only vaguely suggest that personal freedom is more relevant here than economic freedom. Intuitively, one would expect that the pressure of competition generated by economic freedom would pull people into more creative efforts, but it might be personal freedom that pushes them. This could be a research topic for the future, whether the carrot or the stick work better in education. The best option that comes to mind would be not to distinguish too much between the two freedoms and look at freedom as something indivisible.

ENTER, HUMBOLDT!

With this in mind, we may return from the world of empirical data to the Humboldtian ideal of education. In 1792, he wrote in *Limits of State Action*:

“The true end of Man, or that which is prescribed by the eternal and immutable dictates of reason, and not suggested by vague and transient desires, is the highest and most harmonious development of his powers to a complete and consistent

Figure 4. Education and creativity



Source: OECD/PISA 2016 Global Creativity Index 2015

whole. Freedom is the first and indispensable condition which the possibility of such a development presupposes¹⁰.

Humboldt's political philosophy is based on the idea that education should not make humans conform to the state, but rather that it is the state that should conform to humans, their creativity, and freedom¹¹.

Although an idealistic thinker like Humboldt would not have adopted the empirical and data-driven approach that has been in this article, the data seem to support his basic assumptions. Freedom

in a society may, indeed, be a substantial element of educational performance in a given country.

Since freedom usually goes hand in hand with other elements of human well-being, one may worry that, recently, it seems to be so much in decline. Creativity, openness, and development are not easily attained or preserved.

CONCLUSIONS

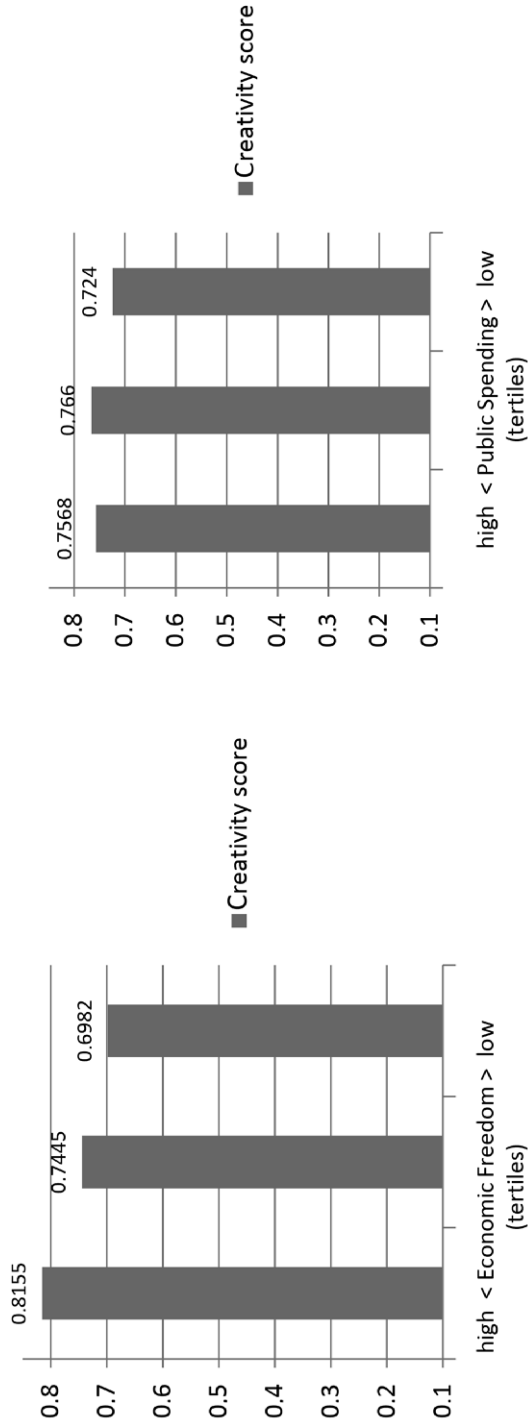
The data have shown that it is not necessarily the extent of private spending (as opposed to government spending on education) that has the greatest impact on the improvement of educational performance.

This must not be misunderstood as a call to reduce government spending on education. In many cases that would do harm. Even less so should it be seen as

¹⁰ Von Humboldt, W. (1993) *The Limits of State Action*, (ed.) J.W. Burrow, Indianapolis, p.10.

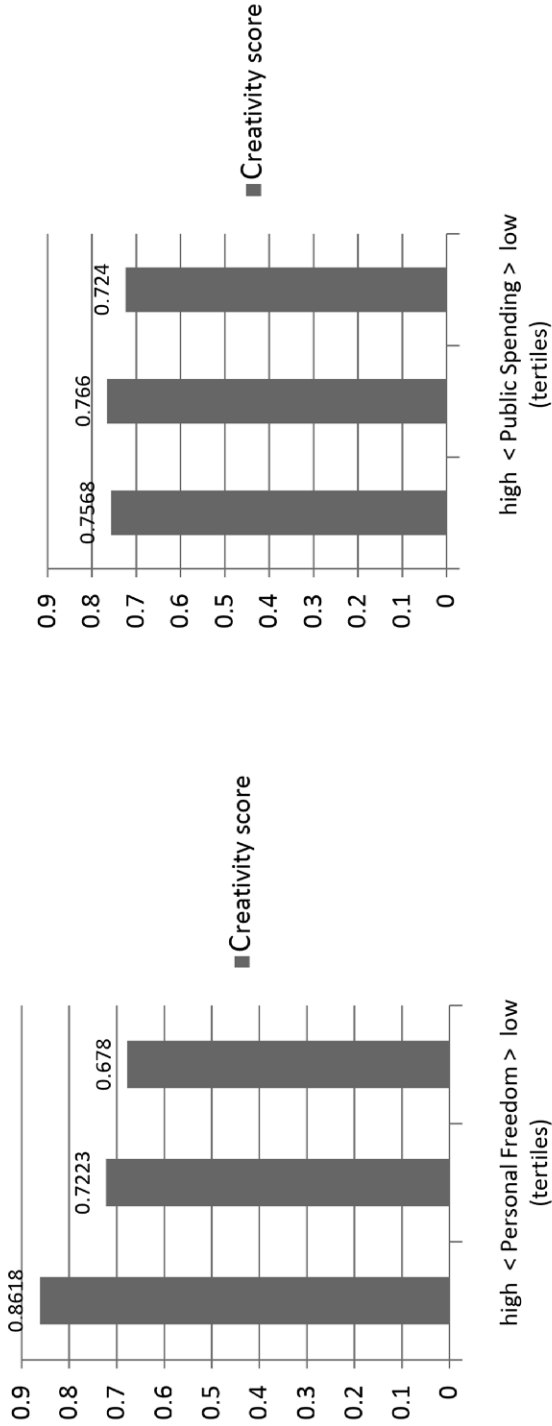
¹¹ Every challenge and every form of human interaction, according to Humboldt, has an educational effect. All this is beyond the grasp of bureaucratic state structures.

Figure 5. Economic freedom and creativity



Source: Economic Freedom of the World 2016 OECD Data Education Spending 2016 Global Creativity Index 2015

Figure 6. Personal freedom and creativity



Source: Human Freedom Index 2016 OECD Data Education Spending 2016 Global Creativity Index 2015

a plea to abandon all efforts to improve the organizational side of education – not by limiting educational freedom, but by creating a legal framework for more school choice and for private institutions to work independently. The Humboldtian ideal, if carried to its end, means that genuine education should be a matter of self-organization instead of uniform regulation. There is no reason to believe that anti-liberal one-size-fits-all solutions are the best way to improve education. In his time, Humboldt was so radical that he once said that education was “wholly beyond the limits which the State’s activity should properly be confined”¹². To him, state action (even if carefully handled) stood for uniformity instead of freedom and creativity.

However, if educational performance is to be improved in a country, it cannot be sufficient to focus on narrow questions of educational reform. Rather, the whole perspective of a country’s political direction has to be considered. A more free education is just a part of this direction.

There is more to be done. It is about the way society as a whole is constituted. Much good may be achieved if government sets a proper framework for freedom and creativity to do their work in all spheres of life.

It may rightly be concluded that a high degree of freedom in a society – be it economic and/or personal – makes humans more creative and more likely to educate themselves or strive for more education. The lack of freedom thwarts human ambition and leads to poor educational performance. And this lack of freedom cannot be compensated by

throwing more money into a system which *per se* is in many ways an obstacle to better education.

Hence, the hypothesis of this article is that the quality of the educational system is in many ways shaped by the inherent quality of the society it is operating in. A society where freedom is appreciated most highly may turn to more private initiatives or may organize itself as “civil society” to improve the educational system, even if it is government-run.

Therefore, the ideas of Wilhelm von Humboldt are as relevant today as they were in his time. ●



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DETMAR
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¹² Von Humboldt, W. (1993) *The Limits of State Action*, (ed.) J.W. Burrow, Indianapolis, p.52.