

Chapter 1:

The Birth, Life, and Death of an Educational Funding Policy

Once upon a time the animals decided they must do something decisive if they were ever to solve the problems created by the growing complexity of their society. They set up a working party and, in due course, the working party reported back that in their view, taking all circumstances into consideration, a system of schools should be set up. A second working party was then appointed to consider this recommendation and in due course their report appeared as well. This agreed with the first report, and recommended that the school's curriculum should consist of Running, Climbing, Swimming, and Flying, research studies having shown that these were the basic behaviour patterns of most animals and were necessary if the animals were to take their place in society. They also recommended that every young animal be given equal opportunity to attend a school and should be encouraged to obtain passes in all subjects before leaving. And so it was decided, and schools all over the country opened their gates for the first time.

The duck proved to be excellent at swimming, better in fact than his teacher. He also did well in flying, but he was a very awkward runner. Since he was poor in this subject a remedial program was devised which gave him extra time to devote to running. He had, of course, less time to spend on swimming but since the objective was a well rounded duck his teachers thought that a small price to pay. His running teacher was unsparing, and kept the duck at it until his webbed feet were so badly damaged that he became only average at swimming. But average was acceptable at this school so nobody worried about that except the duck.

The rabbit started at the top of the ladder in running and was a passable swimmer, but found the core requirement in tree climbing too much for him. He developed a bad case of school phobia, and only attended on days when running was the subject of instruction. Eventually he reached the leaving age and left, ignoring the advice of his teachers that a rabbit that could neither fly nor climb was unlikely to amount to very much. In later years, after a good deal of struggling and hard work, the rabbit became a great business success and was often invited to sit on adviser committees and give end of year addresses. On these occasions he would always boast that he was a self made rabbit. His own children, of course went to a private school that had been established away from the other schools so that it did not interfere with the animals' rights to equal opportunity.

Great debate amongst the animals broke out as to whether other new private schools should be allowed to be established to give the 'rabbits' of the society greater choice of schools for their off-spring. After all, they argued, rabbits were never meant to climb. It was argued though that greater choice would only serve to destroy the efficiency of the existing system by duplicating resources, and be detrimental to the equal opportunity of the less fortunate animals like the mouse and the eel, and so nothing was done.

As it was, the eel continued in his schooling. At the end of the first year he obtained passes in all subjects as he could swim well, run a little and had just managed to reach the minimum standards in climbing and flying. He was made Dux and given a university scholarship.

(Adapted from "Find the Moral", SET Research Information for Teachers, Special Issue, undated, no author.)

Purpose of the Study

There has always been debate between the two major political parties in Australia as to the existence and funding of two systems of education, public and private. The Labor party, as we shall see, has always strongly supported the public system, with many proponents of the party being vehemently opposed to the private system. They pronounce that the primary obligation of any government should be the maintenance of public schools that provide an equal opportunity to all Australian students (Bennett, 1982, p176). The Coalition, on the other hand, believes that greater choice and quality in schooling are a right that parents should expect and be provided (Kemp, 1990, p3946). The policies of each party have always appeared to have driven the degree of financial support for the non-government sector of education. The state aid debate of the late 60's, early 70's was one such example of this fiery debate. Societal groups and organisations have also long used their political standing and weight to voice their concerns and position on educational issues, strongly influencing governmental decisions and policies, Catholic Education authorities being one such group.

As in the analogy of the animal society, groups were, and are, constantly debating issues and voicing opinions that affect the provision and funding of educational institutions. In the analogy the pursuit solely of equality and a single source of education created lack of choice for the rabbits. On the other hand however, the provision of greater choice of schooling for the rabbits of the society in the eyes of the working party, would be detrimental to the equality of others, and serve to undermine the efficiency of the system. The implicit point being made is that there is always a complex set of issues and forces that act upon authorities and policy making processes.

The inquiry, 'The Birth, Life and Death of an Educational Funding Policy', sets out to illuminate these forces by showing how political activities and behaviour in society are inter-related and affect the nature and process of a Commonwealth Educational Funding Policy. To achieve this a case study of the late New Schools Policy will be made. The case study will define the related political and societal demands, analyse the role they had in the decision making process, explore the policy's implementation, and then highlight how changed circumstances and demands affected the evaluation and redirection of the New Schools Policy. The findings of the inquiry will provide a greater understanding of Commonwealth educational policy making processes. In doing so, the research will give a powerful insight into the policy and factors that affected the nature of non-government and government education and their subsequent funding for the past decade: 1986 -1996. From there it will be possible to speculate about the nature of other non-government funding policies as well making assumptions about future directions of non-government educational funding policies.

The main question that this inquiry sets out to address is:

What factors contributed to the formulation, implementation, review, and termination of the 1986-1996 Commonwealth New Schools Policy?

The sub-questions that will be addressed are:

1. Issue Emergence: What political and historical factors contributed to the emergence of the New Schools Policy?

2. Formulation & Authorisation: Who were the main policy organisations and what were the objectives that influenced the formulation of the policy?
What were the explicit and implicit intentions of the policy makers when formulating and authorising the New Schools Policy?
3. Implementation: To what extent were the explicit and implicit intentions of the policy achieved during implementation?
4. Review & Modification: What factors contributed to the initiation of the policy's two modifications?
Which new demands and factors contributed to the Labor government's evaluation of the policy in 1995?
5. Evaluation & Termination: What environmental factors contributed to the abolition of the New Schools Policy?
6. Conclusion: What inferences can be drawn about other Commonwealth non-government funding policies and the nature of future funding policies based on the findings of the study?

Overview of The New Schools Policy

The New Schools Policy had its beginnings in 1985 under the Hawke-Labor Government and ended its life in January 1997 after the Liberal Party won the 1996 federal election. It was a policy that essentially set out to establish the eligibility of new non-government schools for Commonwealth recurrent funding. The policy was built on the ideology of 'Planned Educational Provision' (PEP) which was intended to

protect the educational rights of all Australian children. To establish eligibility, new schools were to satisfy joint Commonwealth-State planning bodies that the proposal would not adversely affect the general educational programs and services in existing schools. To these ends, schools that were proposed in growth areas, consistent with planned educational provision, were given high priority, while schools serving students in declining areas, lowest priority for Commonwealth recurrent funding. The policy aimed to ensure that all students had access to appropriate standards of schooling services and facilities and to achieve an economic use of available resources (Connors, 1985, ppvii-x).

The following is a brief description of the major historical events affecting the formulation of the policy as well as the events that occurred during its implementation. All of these events affecting the birth, life and death of the New Schools Policy will be expanded upon in detail in subsequent chapters.

Several key historical factors contributed to the need for the New Schools Policy. These factors began with the granting of the first government assistance to non-government schools by the Menzies' government in 1963. From there a major element was the Karmel Report, completed in 1973 by a committee headed by Professor Karmel. The intention of the Committee, and the report, was to raise the standards of all schools, government and non-government alike, to a national level (Williams, 1984, p320). Commonwealth funding was allocated to schools on the basis of 'need'. It was in this report that the Schools Recurrent Resources Index (SRRI) was suggested and later implemented. The index divided all non-government schools into 8 categories, A-H, for the purpose of assigning recurrent funding (Karmel, 1973, p56).

In 1975, after only 3 years in office, the Labor Party lost power to the Fraser government. The Fraser government continued with the Karmel Report's philosophy

of funding, but later compressed the 8 funding categories into 3 for purposes of administration.

In March 1983 Labor won the Federal election and the Hon. Bob Hawke, the country's new Prime Minister, appointed the Hon. Susan Ryan as Minister for Education. One of her first jobs was to address a problem of a rapidly expanding non-government sector that, in Labor's view, threatened to affect the value of equity for all students (Smart, 1987, p143). This expansion had occurred over the 8 year period that the Liberal party had been in power. Ryan appointed a panel of Commissioners to draw up proposals for a new policy that would look at the planning and funding of new non-government schools. This panel was headed by Ms Lyndsay Connors. Their report was completed in 1985, the recommendations accepted by legislation and implemented as the New Schools Policy in January 1986. Ryan also abolished the SRRI, in favour of a new funding index termed the Educational Resources Index, or ERI.

During the course of the policy's implementation it underwent two modifications. These modifications were formulated and authorised by the then Minister for Education, the Hon. John Dawkins. The first modification came in 1988, the second in 1991.

In 1994 the Hon. Ross Free replaced Kim Beazley as Minister for Education. In a press release dated March 1st 1995, he announced that a review of the New Schools Policy was to be undertaken by Professor Ken McKinnon. This review was completed and published in 1996. Before the recommendations in the review could be debated the Labor government lost the Federal election and Mr John Howard of the Liberal Party was appointed Prime Minister. In the coalitions first budget released in August of that year it was announced that the New Schools Policy would be abolished. The New Schools Policy ceased in January of 1997.

All these factors and events in the birth, life and death of the New Schools Policy have been tabulated into two timelines; A Timeline of the Major Historical Events Affecting Funding to Non-government Schools, and; A Timeline of the Major Events in the Life of the New Schools Policy. (See figures 1.1 & 1.2)

Methodology

The investigation was carried out as a case study. The choice of a case study as the mode of inquiry was made because it was the more appropriate methodology for an in depth study of a policy process that had already occurred. A case study is explanatory, answering how and why behaviours or actions occur (Yin, 1984). It is an attempt to explain, explore and describe aspects and events that have already taken place. From the explanations, discussions should arise which benefit the researcher and the subjects, who will usually be most interested in the findings (Kemmis, 1980).

A large part of the research was documentary research, looking back through past records, reports, and literature to ascertain the historical and political aspects that influenced the formulation, life and death of the New Schools Policy. The advantage of using existing data was that it has the effect of counteracting charges of researcher bias and can be used to cross check newly collected information to compare the complimentary findings, thus increasing internal validity (Putt & Springer, 1989). Data for this part of the research was collected from University libraries, the Department of Employment, Education, Training and Youth Affairs, and the Historic House Hansard, Parliamentary Library.

Additional data was collected via interviews with key players in the policy making process and the government at the time of formulation, to further determine the intentions of the policy and the process that the decision makers went through.

Figure 1.1

Timeline of major historical events affecting funding to Non Government Schools.

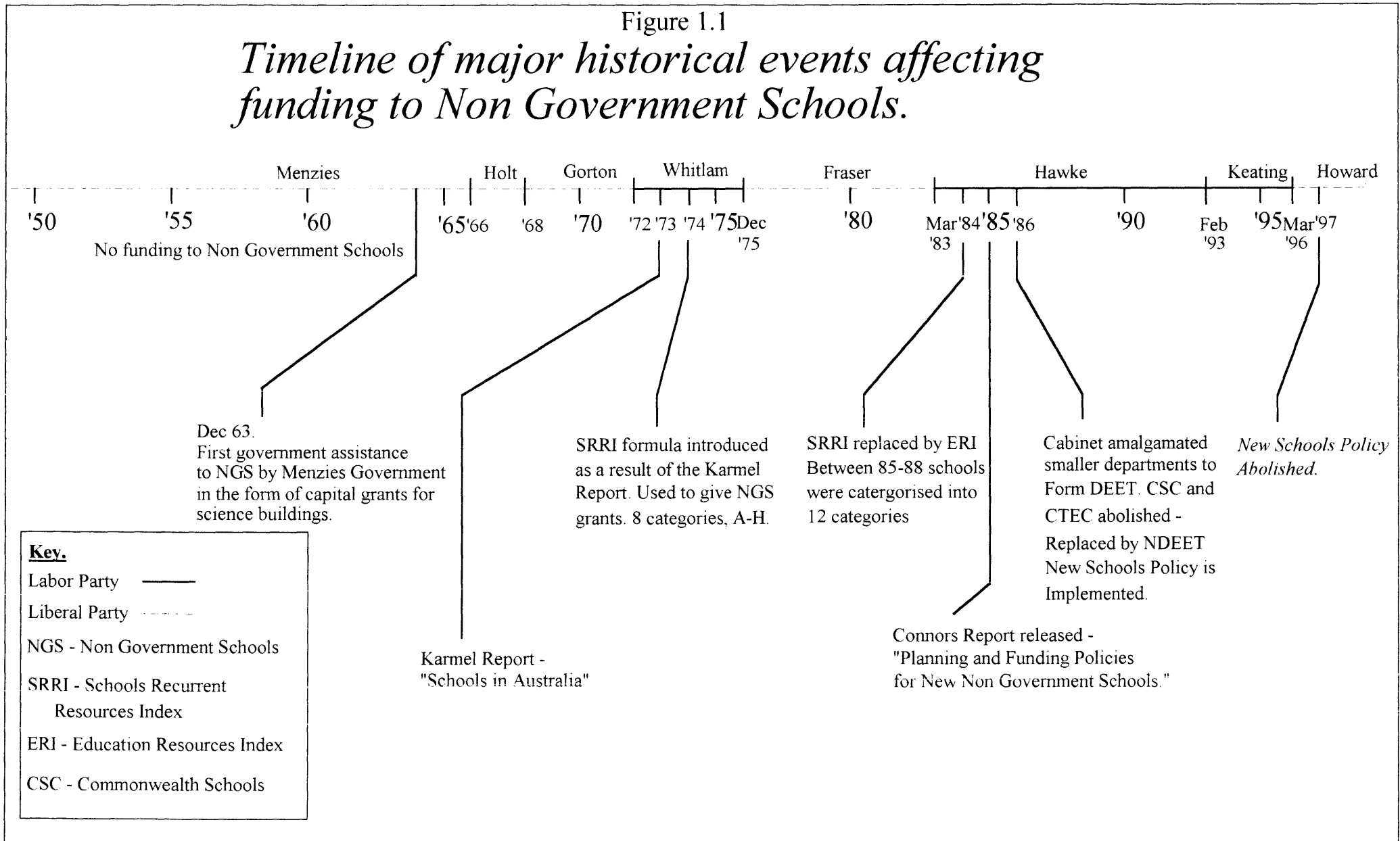
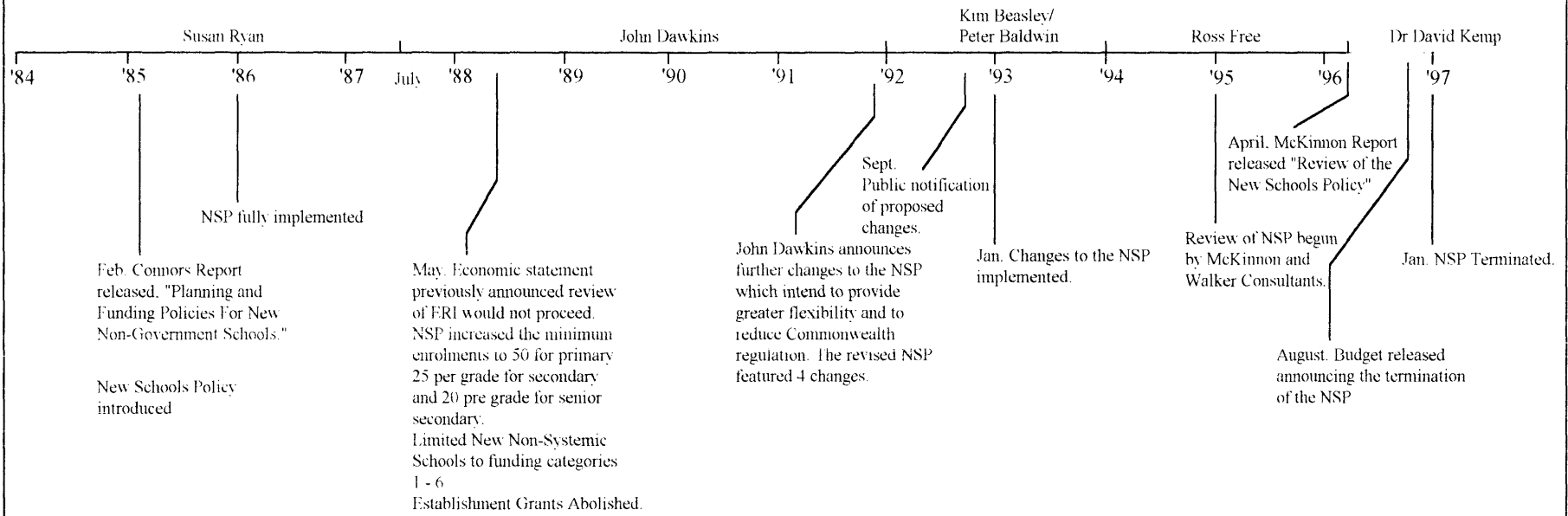


Figure 1.2

Timeline of Major Events in the life of the New Schools Policy



Key

Labor Government —————

Liberal Government - - - - -

Susan Ryan, John Dawkins, etc - Minister holding the NSP in their portfolio.

NSP - New Schools Policy

Official records pertaining to the process and outcomes of the policy were used to cross check newly found information and where possible, interview responses were checked against other key players. Interview questions and procedures were recorded prior to the interview taking place to increase the reliability of the research. The idea was that another researcher, using the same questions and procedures would attain the same results. Face to face interviews were recorded and transcribed by a separated person, not directly involved in the research, to further remove possible researcher bias. Interviewees had the option to check the transcript and alter responses if needed. Distance interviews, with interviewees interstate, were completed using more modern technology. Questions were typed and faxed with the intention that answers would be returned in a similar manner. The advantages of interviewing in this method were two fold. Firstly, cost, and secondly, interviewees could check and confirm their responses in the one 'interview', thus further increasing reliability. The disadvantage of this method was that the researcher often had to chase interviewees up for their responses.

Conclusions pertaining to the data collected were checked with key players from the government, policy makers, stakeholders, and university colleagues, to ascertain their correctness, further increasing internal validity.

A journal was kept throughout the period of the research. All moves made by the researcher were recorded, including; discussions with relevant parties, collection of data, interview dates and procedures and phone calls. In keeping an accurate record of the methodology and procedures it was hoped that the internal reliability of the inquiry would be increased.

External reliability of the inquiry was controlled by adhering to the methods and techniques appropriate to the study. If the research design was clearly articulated and

adhered to, then the study will, insofar as human behaviour allows, be able to be replicated. Unfortunately however, reliability cannot be totally attained because of the position of the researcher (LeCompte and Goetz, 1982). Another researcher with higher political or academic standing may have been able to gather more in depth information. This was addressed by carefully selecting participants (informants), by ensuring a high standard of public relations, and by clearly stating the interview procedure and questions in the methodological outline.

Internal reliability and researcher subjectivity are often major criticisms of the case study method (Yin, 1984, and Cohen and Manion, 1989). This was improved by carefully keeping a research journal, collating data, recording interviews, and cross checking with colleagues and participants in the study to ensure that the data collected was accurate, and the interpretation of the data is not clouded by the researcher's preconceived ideas (LeCompte and Goetz, 1982).

While every effort to remain objective was made, subjectivity, as in most cases, may have crept in. The research topic was originally born from a support for the formulation of low fee Anglican schools in New South Wales; a concept which was not possible without the redirection or termination of the then New Schools Policy. The announcement of the policy's termination in 1996 made it possible for the Anglican church to fulfil their objectives. Therefore there may be some subjectivity in support for the Liberal government and their decisions.

Limitations of Methodology

A case study, while it is the most appropriate methodology for the inquiry, is limited in its ability to make accurate generalisations about the effects of environmental influences on the policy making process. It is a study of past events and the effect they had on a single policy process, it is not able to accurately test the influences, and the

effects that they have. The researcher can only make opinionated assumptions using the collected data, about the inter-relation of political and societal behaviour and the policy process. More accurate generalisations could be made by using quasi-experimental methods, but this is obviously impossible due to the complexities of the policy process and the boundaries of the research.

Another way of making more accurate generalisations would be to study several policy processes that occur in isolation to each other then draw together from the individual findings generalisations about the effects of environmental influences.

For these reasons the purpose of the study is simply to *illuminate* how political activities and behaviour in society are inter-related, and affect the recurring nature of the policy process. Further research is required to test the generalisations found in this inquiry. By applying the same framework and methodology to other educational funding policies, a pattern of inter-related behaviours may surface and firmer conclusions can be made.

Organisation of the Thesis

The first part of the thesis provides the reader with some relevant literature and models of policy making and the policy process. By combining two models of the policy process, Harman's process model and Easton's Political Processes Model, a conceptual framework will be developed and transposed onto the timeline of the life of the New Schools Policy. The combination of the two models will provide a framework that will drive the remainder of the thesis's structure.

This structure will then firstly examine the political and social demands that lead to the emergence of an issue and birth of the policy. From there it will look at the formulation and authorisation of the policy, highlighting the actions that groups had

on the development of the policy. It will then follow through the life of the policy, examining the changes it underwent, evaluating its relative success and its consequences. The final stage of the study will focus upon its demise and final abolition, looking at the changed demands, forces and circumstances that led to the decision to terminate the policy.

The thesis will then draw conclusions about the factors that contributed to the policies formulation, authorisation, review, and termination.

Chapter 2:

The Nature and Development of a Commonwealth Education Policy.

The purpose of the following chapter is to develop a coherent conceptual framework within which the research will be carried out. It will do this by firstly defining what is meant by the term 'policy'. From there it will move onto outlining two models of policy analysis that are useful for exploring the policy making procedure and in particular, the New Schools Policy. These two models are Easton's Political Systems Theory and Harman's Process Model. After each model has been defined the chapter will show how a combination of the two models can be used to create a conceptual framework that will drive the remainder of the research.

The word policy can be used in many different ways in many different contexts. For instance, within the context of National Government, policy can be a word used to encompass a 'program' or 'plan' for immigration, or, within the context of Consumer Affairs, policy can be used to explain to customers that particular goods are non refundable (Harman). For this case study policy is defined "as a specified or understood course of purposive action being followed, or intended to be followed, in dealing with a problem or matter of concern and directed toward the accomplishment of some intended or desired set of goals" (Harman, 1985, p23).

Policy science, or the study of policy, has developed a strong field over the past several decades, especially in North America. Its greatest interest has come from scholars in political science, public administration, sociology and economics. It has been built on a long term interest of modern social science in problem orientated and reformist efforts. In effect, it is deeply concerned with helping to provide solutions to

the problems of society. In brief, policy science is concerned with the systematic study of public policy and its application, and of policy problems and policy choice (Harman, 1985).

The discipline of policy science, or analysis will be applied in this thesis in order to solve the research question:

"What political and environmental factors contributed to the formulation, implementation, review, and termination of the 1985-1996 Commonwealth New Schools Policy?"

By using policy analysis to break down the life of a policy into smaller stages it is possible to see what influenced the development of that policy, its direction, its outcomes, and its eventual termination. From there we can make inferences about the possible future directions of funding policies based on the findings of the study. One way to do this is by using a model, or models, of policy science developed to identify the stages and specific environmental influences that impacted the New Schools Policy. These models will provide an analytical framework from which the research questions will be investigated.

Literature on research into policy analysis is quite extensive. The terminology used often differs between each researcher, including terms such as 'policy process', 'policy science', 'policy studies', and 'policy analysis'. While the terminology often differs between researchers, the basic ideology behind their work remains the same.

The work of Harman (1980) and Prunty (1984) advocate the existence of many theories, or models, that have utility for thinking about the policy process. The models, including; Rational or Classical Model, Incrementalism, Political Interest Group Theories, Bargaining Theories, Lowi's Policy Typology, Political Systems

Model, Iannaccone's Typology of Interaction among Policy Actors, Organisational Models, Garbage Can Model, and Process Model, are particularly useful for explaining the complexity and diversity in the policy process, particularly in education. Each of these models, and the list is by no means exhausted, has been suggested by various researchers, including Lindblom (1969), Knopf (1951), Lowi (1970), and Iannaccone (1967), and have been compiled by Harman and Prunty into a brief, but comprehensible format. Appendix A on page 159 outlines each of the above models. From the outlines it is possible to see the wide variety of directions that a study of policy analysis can take, illuminating different aspects of a multidimensional event.

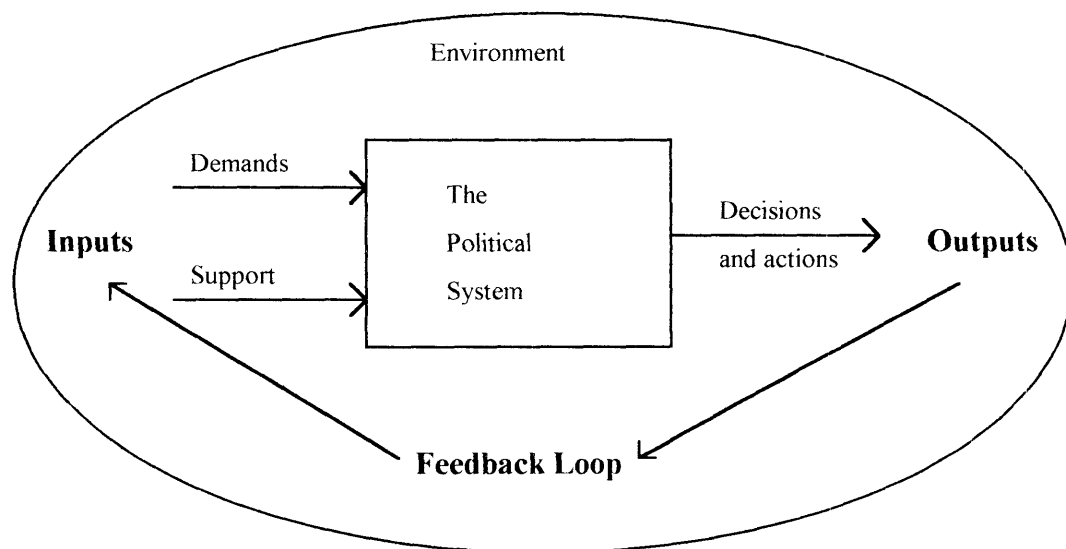
Any one of the above theories could be applied to a study of policy analysis, each illuminating different aspects of a multi-dimensional event, but there are two theories or models that have particular utility in explaining the processes and outcomes undergone in the formation and redirection of the Commonwealth's New Schools Policy, and are helpful for answering the research question. These are Easton's Political Systems Model, and the Process Model. For the purposes of constructing an analytical framework within which the research questions will be investigated it is useful to expand upon their explanations.

The Political Systems Model.

The Political Systems Model was pioneered in political science by David Easton. "The approach stresses the value of viewing policy-making as an interactive process, through which *inputs*, including demands and support for policy change or initiation of new policies, are converted into *outputs* or policy decisions. Outputs, in turn, affect various components and by means of "feedback" mechanisms lead to new demands. As a model it is based on the assumption that political activities and behaviour in a society, or part of it, are inter-related, and that disturbances in one part inevitably

affect others" (Harman, 1980, p63). This particular model is useful because it provides a framework that allows interest groups, official structures, and policy actors to fit easily (Harman, 1980, p64). More importantly, it allows a way of conceptualising the whole policy process, how it relates to the environment, and how various aspects of the environment, such as political action, changes in government, changing societal demands, and changing priorities, are linked to the policy process. (Figure 2.1)

Figure 2.1
 A simplified Model of Easton's Political Systems Theory
 (Easton, D. 1965, p32)



The political systems model explains the 'why' of a policy, clearly identifying the environmental influences behind policy decisions and instigations. It is a particularly useful model for answering the research question for the following reasons;

a) The New Schools Policy had a lengthy and complicated background leading up its initiation. The background included political ideologies and support, financial and

budgetary constraints, and a underlying, long term debate between private and public schools. Easton's framework translates these factors into 'Demands', which a clear understanding 'why' a policy is formulated.

b) The New Schools Policy was an interactive one, that is, it was a result of environmental interaction. Environmental influences, such as the social system, and the political and economic climate, constantly pulled and pushed, refining and modifying the policy to suit the demands of its initiators. Easton defines these changes as being the result of Feedback; and

c) The final demise was brought about through the action of interest groups and a change in government, all of which fit neatly into Easton's model of policy analysis. For these reasons it would be useful to clarify the model in a little more detail in order to develop a clear and coherent framework for the thesis.

Inputs.

Inputs into the system, as already stated, include demands and support for policy change. Each of these inputs have been specifically defined by Easton in his book A Systems Analysis of Political Life (1965). We shall firstly deal with demands, and then move onto defining support.

"A demand may be defined as an expression of opinion that an authoritative allocation with regard to a particular subject matter should or should not be made by those responsible for doing so (Easton, 1965, p38). Demands may be simple and specific as grievances and discontentment with a situation. Demands of this type may entail a call for the removal of tolls on roads before or during a federal election. Demands may also be general vague and complex, such as broad pleas from a

community for greater attention to health care, or a plea from Aboriginal groups for greater welfare support.

Demands are always directed towards authority. This implies the expectation that demands be resolved in some way, giving them their political orientation, and distinguishing them from other societal behaviour. "Demands assume a political complexion when effort is made to bring the weight of society on one's side. In such cases, efforts to influence the allocation of values involved must ultimately be directed towards those who hold positions of authority" or else their resolution will not be met (Easton, 1965, p40). Demands may be a call for a self-centred attainment of an individual, such as a climb to power, or the satisfaction of a personal desire for society, or they may be inspired by the highest of public motives, seeking the common good of society as a whole.

Demands preclude social actions or behaviours as expectations, public opinion, ideology, interests and preferences (Easton, 1965, pp41-47). While each of these social actions or behaviours do not constitute a demand they can be converted into one if the party expressing such a behaviour does so in such a way that authoritative action needs to be taken, or when the idea being voiced becomes a predominant issue.

Thus we can see that the term 'demand' assumes quite a technical meaning. It would be easy to confuse it with one of these other social behaviours, such as interests and ideology, and not be correctly defining its nature as an input into a political system. As already stated, a demand is an expression of opinion that authoritative action should be taken upon. Demands are a central variable to political system, for without them there would be no occasion to undertake a binding decision for a society (Easton, 1965, p48).

Demands in the case of New Schools Policy include an ideological interest on the behalf of the Labor Party for an equality of educational opportunity, reflected in a strong interest and support in the public education system. These ideological interests, while not entailing a demand as Easton describes it, were converted because of the authority that the Labor Party held at the time of the initiation of the policy. Later in the life of the policy demands came in the forms of an inadequate outcome of the policy intentions, interest groups directing opinions towards authority, and a change in government.

Support is relatively easier to define as an input into a political system than demands. It can be defined as the extent to which individuals, or groups are willing to support a variable within a political system. It is the major variable linking a system to its environment. It gives a unified and simple vocabulary for referring to a kind of transaction between a system and its environment, in addition to that of demands (Easton, 1965, p156) .

The significance of support is in the way that it exerts stress on a political system. Fluctuations in support may stress a system in one of three ways. Firstly, without some support from authorities, demands could not be processed into outputs. Most systems require at least some relatively stable set of authorities. Secondly, without support it would be impossible to assure some kind of stability in the rules that are used to convert demands into outputs, and thirdly, support is vital in order to maintain minimal cohesion within the membership of a political community (Easton, 1965, p157). The ability of a system to process demands into outputs depends on the extent to which politically influential members are willing to support authorities, rules and structures, and the political party that is in control.

Support can be defined as overt, supportive actions, and covert, supportive attitudes (Easton, 1965, pp159-160). The external actions to which a person indicates their

support for goals, institutions, actions, or persons, is overt support. For example, by voting for a political party, or referendum, an individual expresses their overt support. In comparison, covert support is an indication of a persons frame of mind. Party loyalty, being patriotic, dedicated to a cause, or a sense of duty, is covert support.

Initial support for the New Schools Policy development came in the form of overt support for the Labor Party who had an interest in, and strongly supported a public education system, based on the philosophy of equal opportunity. The Labor Party, as we shall see in the following chapter, believed that education should be free, and accessible to all students from all walks of life, giving them an equal opportunity in society at the completion of their education (Karmel, 1973, pp16-17). The public education system in their eyes should not be diluted and weakened by a growing private system, and therefore the outcomes of its students (Karmel, 1973, p12). Moves were made based on these reasons to reduce the growth of the private system.

Outputs

Outputs, put simply, are the actions of authorities when faced with demands and support. They are authoritative allocations of values, binding decisions and actions, or transactions between a system and its environment (Easton, 1965, p348). The major function of outputs is to help a system constructively adapt, at least to some extent, to the shaping conditions and changes to which it is exposed (Easton, 1965, p345). Easton used a simple analogy to describe what he meant by outputs. He likened his theory to a manufacturing system, the outputs are viewed as the products forthcoming from the conversion operations performed on the mixture of items going into the system (Easton, 1965, p344). While this is a useful analogy, care, he noted, should be taken not to restrict the theory to this narrow view, as a political system has an addition aspect, that of a political system operating within a complex environment

made up of an ecological system, biological system, personal system, social system, and international political, ecological, and social systems.

Outputs are produced by authority. They are a special kind of political behaviour, because through them, persons who occupy positions of authority can exert some control over the members of the system. Outputs have consequences for a system or for the environment in which it operates. They are closely associated with the set of goals toward which the energies and resources of a system are directed (Easton, 1965, p350).

It is important, not to confuse the term output, with the concept of outcomes. Outputs, as previously mentioned, are the binding decisions, and their implementing actions. The consequences of those decisions, decisions which may in fact alter the course of history, or have ramifications in a whole host of other areas, are outcomes. A simple illustration will help illuminate what Easton meant by distinguishing between outputs, and outcomes. An output is a stone thrown into a pond and its first splash. The outcomes are the ever widening and vanishing concentric ripples. As with the ever increasing, but slowly vanishing ripples, outcomes are often immeasurable (Easton, 1965, p352).

Easton's theory, however, is an open, self regulating, and self transforming theory. Outputs are not the terminal point of the process. Their consequences on the environment feedback into the system, causing the need for perpetual modifications and changes. He terms this feedback as a feedback loop.

Feedback.

Ideally, but not always, policy makers would hope to match outputs to demands. The attainment of that objective will, however, depend upon the amount and kind of

information they have at their disposal. That information pertains to two different areas, firstly, information about the general state of the system and its environment, and secondly, information about the consequences that different kinds of action will have. Without these two vital forms of information, policy makers will be stumbling in the dark when it comes to their desire to fulfil the objective of matching outputs to demands. In the extreme case, lack of information could lead to a drop in political support, or have serious consequences on other areas of the system (Easton, 1965, p365).

Easton terms feedback as the return of information about the stability of the system, its environment, and the consequences of actions. The channel that it flows through, he terms the feedback loop. The concept of feedback loop is a way of identifying not only the information that returns, but all the other actions directed toward taking advantage of this information. That is to say, "feedback loop refers to two interlocked processes: first, the regulative outputs of a system and their consequences - these represent the way in which the authorities will adjust to the situation in which they find themselves: second, the information itself that is fed back about the state of the system and the consequences flowing from whatever regulative or adjusting actions have been taken by the authorities" (Easton, 1965 p 367). In brief, the feedback loop is composed of information and related outputs and their consequences, that enables a system to control and regulate the disturbances as they impress themselves on the system.

Feedback, as shall be seen, lead the Labor Party to modify the New Schools Policy on two occasions based on the judgement of its outcomes, gauged against its original intentions, and feedback lead to the need for the McKinnon Report in 1995. Feedback also gave the Liberal Party vital information about the effects of the policy, leading them to terminate its implementation.

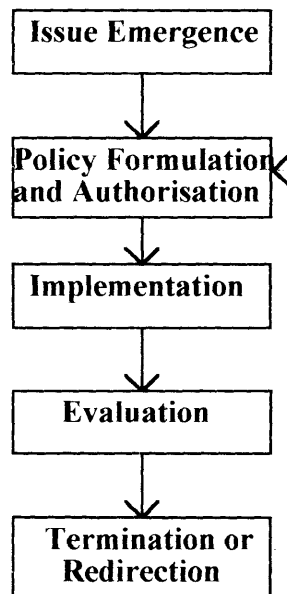
The Process Model.

The New Schools Policy in its development, life and death, clearly underwent several identifiable stages. For this reason it fits neatly into the framework of the process model. The process model explains the stages that a policy undergoes from the recognition of a problem, to its redirection or termination. By breaking down the life of the New Schools Policy into these successive stages it is possible to create a framework within which to identify the main policy actors, reasons behind the initiation of the policy, its implementation and subsequent successfulness, the various evaluative stages, redirection's, and eventual termination. In doing so we can gain an insight into the issues behind each stage in the life of the policy. A close look at the model is beneficial.

There is general agreement amongst many researchers that the policy process, or policy analysis follows a framework of several sequential stages as in the process model. Stages have been suggested by Harman (1985), Wirt and Douglas (1982), Hogwood and Gun (1984) and Robert's (1971). While each researcher may have a differing number of stages, or used slightly different terminology, the basic underlying idea is the same. For Harman's framework he suggests five distinct stages including; 'Issue Emergence', the recognition of a problem or matter needing attention; 'Policy Formulation and Authorisation', the exploration of various alternatives, and the formulation of preferred course of action including consideration of political feasibility; 'Implementation', further elaboration of policy to facilitate application, and consideration on the best timing to implement ; 'Evaluation', assessment of the effects of the policy and its application and the measurement of intended and unintended effects; and 'Termination or Redirection', where policy is discontinued because the problem is solved, or there is a major redirection because circumstances have changed.

Figure 2.2

The Harman Model of the Policy Process



The stages identified by Harman (figure 2.2) are very similar to the stages described in the Process Model. The termination is a little different, but the basic idea behind each stage is similar, for example; issue emergence and problem identification is similar to initiation; policy formulation is a consolidated label for Jennings' reformation of opinion, emergence of alternatives, and discussion and debate; authorisation is similar to legitimisation; implementation - implementation. Harman has suggested two additional stages, evaluation; and termination or redirection. The labels of the stages are not important, the process model merely theorises that the policy process is a series of stages, the actual stages could be identified in a variety of ways according to the particular policy decision being addressed.

Hogwood and Gun's (1984) framework is again very similar to the process model, but rather than six distinct stages, has described nine stages. These stages including; Issue

Search, Issue Filtration, Issue Definition, Forecasting, Setting Objectives and Priorities, Options Analysis, Policy Implementation, Monitoring and Control, Evaluation and Review, and Maintenance, Policy Succession and Termination, essentially explain the same sequential stages as the process model and Harman's model, but in greater detail.

Wirt and Douglas (1982) advocate four stages, including; Issue Emergence, Policy Option Deliberation, Authoritative Allocation, and, Performance Oversight. These four stages have compounded the same principles into broader categories. Finally, Roberts, (1971) using similar principles, prefers to use seven stages.

Each researcher while using slightly different frameworks, suggest that the policy process begins with a dissatisfaction or concern, followed by a recognition of a problem and its acceptance on to either public or political agendas, or both. As the process continues, different solutions are explored, using tools such as benefit-cost analysis or cost effectiveness, followed by official authorisation. After this follow the separate stages of implementation, evaluation and, sometimes, redirection or termination (Harman, 1985, p24). This sequential approach has particular utility in analysing policy as it, amongst other things, directs attention to important issues such as who sets the public agenda for policy debate, and who takes the lead in policy implementation and policy evaluation.

This process of sequential stages is a cyclic, or ongoing process. Jenkins (1978) indicates this in his statement; "policy making is a dynamic and complex process: as circumstances change, goals may alter and initial conditions be subject to slippage." His statement also reinforces the need for Harman's last two stages by highlighting the need for policies to be continually scrutinised and evaluated. Work by Dubnick and Bardes (1983) states that policy evaluation is the broad title given to judging the consequences of what governments do and say. Two distinctive tasks are involved in

evaluation, one is to determine what the consequences of a policy are by describing its impact, and the second is, to judge whether the policy is successful according to set of standards or criteria. Dubnick and Bardes go on to say that merely looking at the actual consequences is not sufficient analysis, it is necessary to look at the consequences in terms of actual or perceived consequences, and intended or unintended consequences. Hogwood and Gunn (1984) have also described in detail the stage of evaluation, by prescribing to the analysis of objectives, the impact, the success, side effects, and cost of the policy. Detailed evaluation of policy leads to either termination, or redirection, where new demands are created, and the whole process repeats itself.

Conceptual Framework

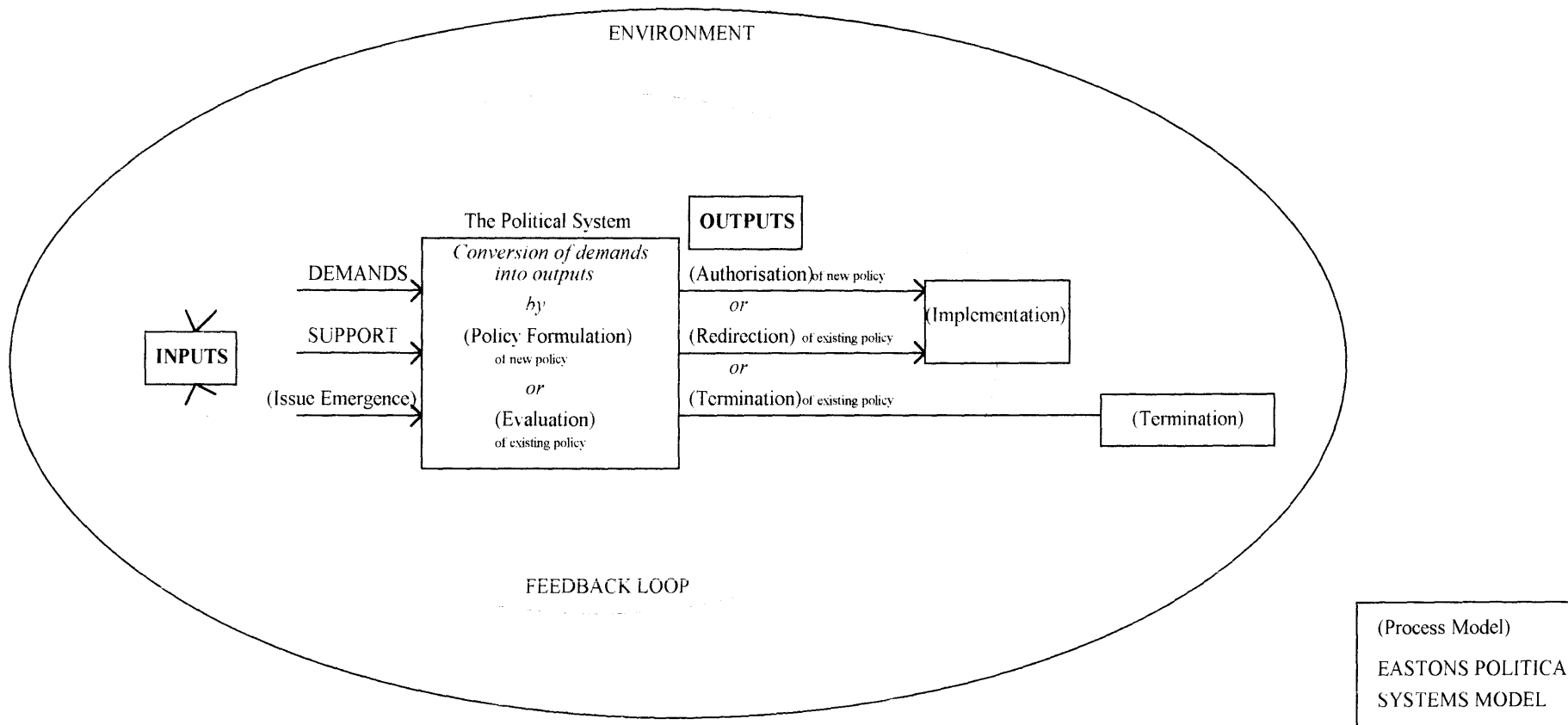
The proposed case study will be based on the two models of policy analysis, Easton's Political Systems Model, and Harman's adaptation of the Process Model. The two models in my opinion have great utility in providing a framework for explaining both the processes and the outcomes in the formulation and redirection, of the New Schools Policy. Easton's model serves to identify the forces at work on the policy process while Harman's model identifies the different stages at which these forces work. The two models have even greater utility in providing an analytical framework within which the research questions will be investigated, when they are used simultaneously. Allison (1971), and Peterson (1976) have demonstrated clearly the advantage of the simultaneous use of alternative frameworks or models. Both their studies illuminate, with special clarity that no single model accounts for more than one facet of the totality of the situation. As Peterson says, "Each is a snapshot of a multi-dimensional event" (Peterson, 1976, p137).

By combining the two models, we come up with a dynamic conceptual framework which enables all the factors that contributed to the life of the New Schools Policy to fit. The proposed case study of policy analysis will be based on this model. (See figure 2.3).

Eastons Inputs are described as the demands and support for authoritative action created by the environmental influences of; historical background, political climate, and political and social priorities, acting on a political system. The political system in this case being the Australian Commonwealth. The demands and support are formalised as an input by Harman's first stage in the process model, *issue emergence*. After their formalisation the demands and support then undergo conversion into outputs, outputs being policy decisions. They are converted by the processes of *policy formulation*, or *evaluation*; policy formulation if it is a new policy that is to be created due to the demands and support stressing the system, or evaluation if the demands and support call the need for the redirection or termination of an existing policy. The conversion processes produce outputs. The outputs are policy decisions, these being; the *authorisation* of a new policy, *redirection* and authorisation of an existing policy, or the *termination* of an existing policy. After the decisions are made, the new, or redirected policy is *implemented*. During the course of implementation the policy produces feedback pertaining to its relative successfulness producing new demands or support, and/or the environment within which the whole process operates produces new demands or support pertaining to the direction that the policy should take. The model is a dynamic one, which enables a policy that undergoes several, or unlimited, successive changes to fit, until its termination.

Figure 2.4 gives a picture of the conceptual framework from which the researcher will develop his thesis. It shows the timeline of major events in the life of the New Schools Policy (Chapter 1) transposed with the model above. The major stages that the policy progressed through are isolated, beginning with issue emergence and

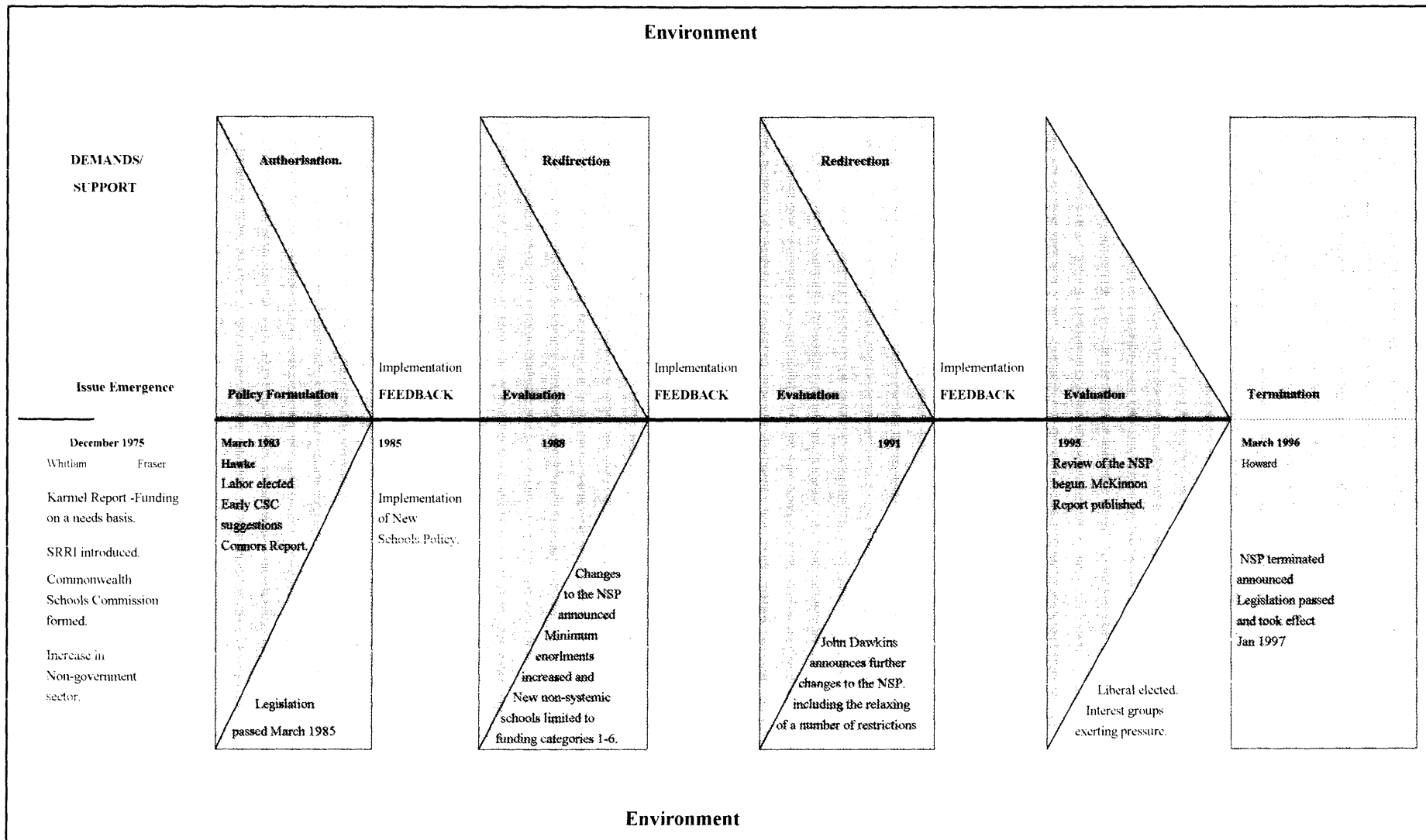
Figure 2.3
 Diagram showing Eastons Political Processes Model combined
 with Harmans adaptation of the Process Model.



Source: Adapted from Easton, 1965, p32 and Harman, 1985

Figure 2.4

Flow Chart of the New Schools Policy: Integrating the Political System Theory and Harmans Process Model.



concluding in the policies termination. As one can see from the figure, the life of the New Schools Policy in terms of policy was a cyclic one, with it undergoing constant change and adjustment to suit the demands of the time until its eventual termination.

Harman's process model forms the foundation of the analytical framework, with each policy stage clearly identifiable as the New Schools Policy progressed through its birth, life and death.

Eastons model serves as an overlay identifying the demands and support that initiated each stage of the policy. For example, the policies birth was a result of demands and support created by historical factors and the philosophical background of the Labor Party acting on the political system, initiating a policy decision, while each modification of the policy was also a result of demands and support produced by feedback and the surrounding environment stressing the system, such as interest groups, and more obviously, a change in government.

From the combined timeline and analytical framework, along with the review of literature (figure 2.4) we can make predictions about the political and environmental factors that contributed to the formulation, authorisation, implementation, and termination of the New Schools Policy.

a) Political ideologies and interests, along with financial and social environmental factors, stressed the political system creating demands, which lead to the emergence of a problem that needed authoritative allocation.

b) The participants in the policy making process were the Labor Party, and those who wished to ensure that authoritative action was taken to convert the demands into outputs.

c) The output of the authoritative action in response to the demands, was the formulation of a policy, the New Schools Policy.

d) Feedback about the relative success of the policy after implementation gauged against the original intentions of the policy instigators led to the modification of the policy.

e) Changing environmental factors, including changing social, and financial circumstances, and the possible action of interest groups, placed new pressures on the political system over the life of the policy.

f) Further feedback, and the changed environmental factors, contributed to new demands, which led to the evaluation of the policy.

h) A change in government, along with its opposing ideologies, directly contributed demands, which lead to the demise and termination of the New Schools Policy.

The model suggested for the analysis of the New Schools Policy will highlight these predictions. It will show that political interests in education were the driving forces behind the policies birth life and death. The policy was a Labor party initiative, having its beginnings with the election of the Hawke Government in 1983, and its final hour with the party's defeat in 1996, and directly reflecting the party's philosophies on education. We expect to see that the policy did not adequately fulfil its initial intentions and consequently needed modification on two occasions. Pressure and interest groups played a part in its final evaluation, but its termination was a direct result of a change in government which brought with it opposing philosophies and action to correct complex budgetary constraints.

The following chapters will expand upon each of these stages in the model in turn, including: demands and issues emergence, deliberation, policy formulation and authorisation, evaluations and redirections, and termination, identifying the major factors that contributed to the policies birth, life and death. From the models findings we can gain a rich understanding of the driving forces behind the policy, and make inferences about the nature and possible direction of future educational funding policies.