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# Credentialism as Monopoly, Class War, and Socialization Scheme

## *Some Historical Reflections on Modern Ways of Determining Who Can Do a Job*

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### **Abstract**

Social theorists in earlier periods have looked at credentialing from the perspective of its service to the economic or social system as opposed to its “protection of the public interest.” Adam Smith regarded the long education and the performance tests that the guilds required as monopolistic constraints on production; Karl Marx saw the same guild system as controlled by the propertied classes and uselessly exclusionary; and Emile Durkheim, unlike both Smith and Marx, regarded the occupational group with its entrance requirements as central to the stability of modern society. The application of the principles of Smith, Marx, and Durkheim, in past and present systems, tells us that the present credentialing system is not sacrosanct. It may have little basis in research, in the prevention of anomie, or in the protection of the public interest.

**T**HE problem of achieving harmony between economic and credentialing systems begins with the decline of the medieval guild. In the society of Homer’s *Odyssey*, credentialing was done by sign, as in the case of Odysseus’s famous scar, or by performance, as in the case of the hero’s bending of his own bow prior to killing the suitors. The hero showed that he had made the educational journey required of him both by what he looked like and what he did. In Greece and Rome, as soon as written tokens and guild organization substituted for the act itself as evidence of who could do a job, the process was much less certain (Toutain, 1968, pp. 299-304).

The present debate about credentials derives from debates about medieval guilds and their function in postmedieval economic systems. By the thirteenth century,

medieval civilization literally lived on credentialism: the medieval university was organized to offer credentials; the graduate faculties offered access to the advanced or prestigious vocations of law, medicine, and theology; and their degree became in a real sense a "seal of approval" allowing one to enter into an elite profession. Moreover, the license was earned with a certain "competency demonstration" such as the *disputatio*, which assured the masters that the student at least had certain verbal and logical skills associated with the profession. The guilds also monopolized the credentialing of the lower crafts, and the right to work outside of agriculture was largely controlled by such state-sanctioned corporations.

The guilds controlled the employment structure while themselves conforming to the general medieval ideology as to how a socioeconomic system should be organized. They were compatible with the larger economic order in that all exchange was both externally regulated by the state and internally regulated by the occupational association (Bird, 1949). The first sign that this order could be challenged was the appearance in the late thirteenth and early fourteenth century cities of the medieval grand merchant, a competitive private operator outside the rules concerning usury and controlled by no collectivity.

With the 16th-18th century decline of the old articulated craft-oriented "mercantile" society and the development of the *laissez-faire* myth, the system of the old order came under coherent attack, particularly from Adam Smith. Smith asserted, against the credentialism of the old order, that European policy for job-education through the guild corporations restrained trade, "restraining the competition to a smaller number than might otherwise be disposed to enter into them" (Smith, 1880, p. 125). Restrictive entry in turn led to further injustices. The number of years required for an apprenticeship varied among the various European countries, and thus the period of time was *prima facie* arbitrary (Smith, 1880, pp. 126-128). The inequality created by arbitrary job-education monopolies denied the property that persons had in their own labor, "the original foundation of property" and the only inheritance of the poor (Smith, 1880, p. 128). This, in turn, tended to induce the young worker to give up and turn to idleness (Smith, 1880, pp. 128-129). And, finally, the imposition of guild credentialing systems gave "no security that insufficient workmanship shall not frequently be exposed to public sale" since bad workmanship was generally the consequence of fraud and not of incompetence (Smith, 1880, p. 128).

In Smith's eyes, most of the education that went with credentialing was unnecessary to the practice of the trade or occupation. Though clocks were difficult to invent, one could, once they were invented, explain to a young person how to "apply the instruments" and construct such a machine in a few days or weeks (Smith, 1880, p. 129). Credentialism, by creating a labor monopoly and shortage of finished goods, advantaged the "finishing" over the "raw" end of work, the town over the country, and the heavily populated over sparsely populated areas (Smith, 1880, pp. 130-135). Even the most casual commerce among people bearing the same credential was likely to become a conspiracy against the public (Smith, 1880, pp. 135-136). The only advantage of forcing working people from the organized to the unorganized sector resulting from guilds evidenced itself in the large numbers of literate and well-read people

who became eighteenth century teachers. This in turn created an inexpensiveness of literary education that overbalanced the injury to the profession's interests (Smith, 1880, pp. 137-142).

Though the guild system was in decline by the seventeenth century and was only partially established in the American colonies, colonial legislatures did pass statutes governing lawyers on the grounds that they were officers of the court, and the pressures of the state medical societies brought them to write statutes governing doctors. However, the original regulations of the 19th century were reduced in number under the intense *laissez-faire* pressure developed by Adam Smith's thought. For example, Maine moved from a seven-year apprentice requirement for a lawyer's license to a county examination system between 1821 and 1850. Other states followed suit. And in medicine, virtually all states abolished medical licensing requirements (Bane, 1952, pp. 14-17). In the second half of the 19th century, Populism, with its antimonopolistic bent, also pushed back vocational licensing requirements in many states and worked successfully against their imposition in others, particularly the frontier states.

Smith's *laissez-faire* movement, accompanied as it was by the widespread oppression of the industrial worker, was challenged by the growth of the union movement, socialism, and radical and conservative forms of collectivist thought represented by Marx and Durkheim. While Adam Smith viewed credentialism as an impediment to a free labor market and therefore analyzed it extensively, Marx wrote little about it, making a direct comparison difficult. His most useful statements come in his analyses of the guild. In his view, the late medieval fleeing of serfs from country to town produced the guild:

the necessity of common buildings.., and the consequent exclusion of the unauthorized from these buildings, the conflict among the interests of the various crafts, the necessity of protecting their laboriously acquired skill, and the feudal organization of the whole country: these are the cause of the union of the workers of each craft into the guilds (Marx, 1947, p. 43).

Marx saw city workers divided into two groups –the unorganized rabble and those seeking craft licenses. The latter became the tools of the master craftsmen as serfs were tools of the landowners, since journeymen and apprentices were organized in the craft areas, which the interests of the masters dictated. The paternalism of the guild structure gave the masters influence over the whole life of the apprentices, preventing them from organizing with other apprentices, impressing them to forego rebellion. It legitimized the existing order by giving organized workers on the lower rungs the sense that they would soon become masters. In the eighteenth century, since this system did not suffice for the new markets of manufactured goods created by colonialism, a manufacture arose that required new divisions of labor: "divisions of labor between different corporate guilds vanished in the division of labor in each single workshop" (Marx, undated, p. 44).

In Marx's view, the annihilation of the credential and educational structures of the old feudal order, along with the creation of free labor market where every worker could be pitted against every other worker and so drive down the wage, epitomizes modern

capitalism. The new manufacturing classes had to destroy the socialization devices of the guild order to create a free labor market and a usable labor force. Marx, in his later life, analyzed the dynamics of the successor in the capitalist world to the guild mantle — the trade union. However, he never saw the trade union under capitalism as using state power to keep out other workers. The union for him necessarily had the double aim of “stopping competition among the workers” and of carrying on “competition with the capitalists” (Marx, 1936, pp. 172-173). Unions were meant to serve workers democratically. Guilds, on the other hand, were elitist organizations.

Since Marx valued occupational associations according to which class they served, his valuation of credentialing turned on which class controlled licensure or other regulatory mechanism. He denied the distinction between skilled and unskilled or professional and nonprofessional labor. The legal profession, for instance, was to him the expression of the development of the propertied classes. Not surprisingly, licensure of lawyers was in the interests of the propertied classes. Similarly, the guilds were controlled by the masters, who identified with the landed aristocracy. Licensure among such groups was a device of ruling-class control — nothing more, nothing less. Marx undoubtedly saw representatives of the licensed guilds who lobbied for refined licensing requirements as members of the ruling class. On the other hand, the industrial union, controlled by the proletariat was a legitimate organ of the people. Admissions rules that maintained the solidarity of the proletariat against the bourgeoisie were implicitly condoned. Marx’s analysis did not concern itself with objective questions of craft or the public safety, since skilled and unskilled were considered a single group.

Whereas Smith argued against the occupational organization and its licensing power on the grounds of equity and productivity and Marx argued for it on class grounds, neither argued for it as fundamental to society. Durkheim did. Unlike Smith and Marx, he did not write in the midst of economic revolution. Durkheim saw late nineteenth and early twentieth century civilization as losing all sense of cultural balance as it cut loose from the *ancien regime* and its religion. For him, European secular civilization was, in Matthew Arnold’s phrase, in transit “between two worlds, one dead, the other powerless to be born.” While Durkheim identified the evils of 19th century capitalism as “unregulated competition, class conflict; routinized, degrading, meaningless work” (Lukes, 1973, p. 174), he did not perceive socialist revolution as the way out. For him the basis of industrial society’s anguish was not poverty but rootlessness: the disappearance of the village, the town hall, the market place, and all the other markers of the social landscape in the rush to 19th-century urbanization and secularization.

For Durkheim, repose is everything. A society must seek peace with itself, and that peace in an industrialized, specialized society will be found through the occupational group, its organization of social subsections in relation to the whole. He argued that even from the viewpoint of utility, increasing abundance was of no use if it did not succeed in creating calm in the hearts of masses of people. The important social function is the creation of the sense of community of purpose among individuals. Society exists only to bring people peace in their hearts and relations with one another.

Within such a view, the guild with its restrictive employment practices is not at all an impediment to healthy society. Such a society gives its members a sense of place and vocation, a sense of meaning in life, and a sense of service to the whole society. This is not accomplished through provision of economic abundance to all. For Durkheim, the radical suppression of the guilds on the European continent during the French revolution was a morbid phenomenon that came out of the guild's failure to adjust in meeting the needs of large-scale industrialization. He believed that the small group organizations had to be restored. If the guild was a significant force in the healthy past of Western civilization, it would also be a part of its future—"restored but in an entirely new form" (Lukes, 1973, p. 267).

Between the chaos of the embattled *laissez-faire* egos fighting an unregulated war and the authoritarianism, socialist or otherwise, that imposes the single all-encompassing voice of the state on human activities, was to stand the occupational group—the modern surrogate for the medieval village. The occupational groups were to be all-encompassing and planned. If left unplanned, society itself would fall apart from the disorganization of its own most essential function, the provision of jobs. In such a situation, both the education and provision of jobs would be in the hands of professional federations with a life of their own and they would absorb the state. Durkheim believed that the state had to dominate occupational groups. These groups would include all society, encompassing each practitioner of an art, unlike late nineteenth century professional groups, which Durkheim saw as private and potentially unlimited in number. The occupational groups proposed would deal with contracts, salaries, health, child labor, pension funds, labor disputes, and internal supervision of standards of craft, technical and adult education. All matters related to modern credentialing would be handled by the occupational guild and the state in consort (Lukes, 1973, pp. 536-541). Durkheim has been seen by his critics as providing legitimization for the conservative forces in early twentieth-century France, rather than a sociology. Superficially, his view of the ideal arrangement of guilds, education, and occupational self-regulation comes close to describing the present. But in actuality, he believed that his plan required a reorganization of society beyond that apparent in his day. First, the reguilding of society would have to be universal in its coverage of each vocation, including all vocations and all of society. Secondly, it should be state controlled, lest the professional organization usurp the functions of the state. And, finally, it should provide clear antidotes to job-induced anomie, as well as technical standards for occupational education, admission, and self regulation.

The mobility of modern society and the lethargy of the state have prevented modern credentialing processes from meeting Durkheim's guidelines. The average employee in some parts of the country moves every three years, with some companies requiring frequent relocation. Few professional or craft organizations have sought to stop the development of forced mobility or anomie. Few seriously attend to the community factor in professional development. And the ideology of credentialism has not included action to reduce anomie through the only devices known to make a difference: slowing and rationalizing the rate of change; keeping crucial educational and occupational groups small; integrating work, play, education, and the remainder of

social life; and providing for large amounts of intergenerational contact and public interaction.

American society has created a situation where many organized occupational groups have a monopoly on the work that they perform through their education and credential systems. Outside the occupational groups stand the "rabble," people whose job stability or old age benefits are generally unprotected. These people include unorganized industrialized workers, farm workers, the bulk of women and minorities in the work force, workers in the southern and western states, and people who practice the folk arts as professions. While Durkheim's views might appear to describe the present, we have actually witnessed movements in the direction of Smith's and Marx's positions.

Smith's arguments related to credentialism are close to Milton Friedman's (1979) and especially Ivan Illich's (1971, 1976). Illich sees large institutions going through two stages. The first produces a positive relationship between resources used and services provided, genuinely applying new knowledge to specific problems, and producing desirable effects. However, when this stage is past, the large professional institution rapidly moves into a second stage in which bureaucratization into hierarchical impersonal structures occurs with specialized division of labor. Survival and growth become primary. A self-serving elite takes control and designs the basic needs of people in terms that the profession can meet. For example, medicine describes increasing numbers of new diseases, requiring increasing varieties of treatments by new specialists under the direct control of the guild.

As the institution adds to its monopolistic power through the use of credentialing tools, its services become compulsory, consumers become addicted to it, and help becomes scarce. Few people are let into the educational institutions that lead to a credential, fewer are let out with a ticket to a job. Folk competence cannot be exercised because the government permits only credentialed educational or healing arts (Rich, 1976, pp. 141-142). As a consequence, professional institutions become public dangers, creating ever-new shortages, ever-new crises, and ever-new cleavages between the professional and the laity until the professionals cannot manage (Mandel, 1980).

If requirements for credentials in most occupations are arbitrary, as Illich believes they are, and if consumer choice in fact is a more effective bar to shoddy professional or trade work than any bar erected by a credentials test, then the value of credentials is suspect. Seen from Illich's position, any group of barbers, bakers, or candlestick makers can claim that it needs special educational institutions and credentialing privileges because the abuse of its trade would cause danger to the public, which the public could not discern and which the market mechanism could not manage (Bane, 1952, p. 6). Yet the recent Cambridge, Massachusetts town council's DNA analysis or Mormon analyses of the effects of the MX missile system suggest that lay people can make cogent examinations of the effects of complex scientific processes on the public safety. In the field of psychotherapy Freud himself opposed the requirement that psychoanalysts receive the medical doctors' degree before they become psychoanalysts (Freud, 1950, pp. 101-112).

Marx's blurring of the lines between the skilled and unskilled professions has had serious modern advocates, particularly in China. The literature on Chinese education

during the cultural revolution suggests a Rousseauian notion that anyone can do anything. People in teams might shift jobs regardless of previous training. Uneducated people might undertake technical jobs. The education-license-job pattern was replaced by a work—education—work-reeducation cycle, which occasionally led to shoddy workmanship. In medicine it produced something more like the “market” than market economics itself, reducing the period of medical education from six to three years and decentralizing it, as medical schools opened clinics and places for training all over the country: “Right from the start, the student [is] brought into contact with patients and learns to diagnose and treat the most common diseases, while learning the theoretical background” (Shram, 1973, pp. 283-284).

The same phenomenon occurred in teacher education. No training was final; all job training was envisaged as part of a cycle of education and work. By connecting this with the notion of working in teams, and having all people, including the relatively uneducated, do some of the community’s planning and technical work, China appeared to have changed radically the old Confucian guild credentialism and to have instituted a Marxian contempt for exclusionary labor controls. However, recent political developments in China have meant a return to examinations and credentials to determine job placement. Since few objective histories of the cultural revolution exist and few measures of the success of the period’s dec credentialing effort are available, the Western world will unfortunately never know the results of one of the century’s great social experiments.

In our society, the first licensed or credentialized occupations were medicine and law. They are perhaps the most affluent now. As Shimberg and his associates noted, when groups seeking licensing speak to themselves about the benefits of licensure they do not speak of protecting public safety, but of raising its societal or economic status (Shimberg et al., 1972). The grandparent clauses in licensure or credentialing statutes generally exempt present practitioners from meeting licensure requirements. This protects old hands in the profession, while setting high standards to limit the number of new candidates, thus confirming Marx’s fears that bourgeois political groups tend to exclusivity.

Smith, Marx, and Durkheim all suggest that credentialing systems cannot be judged apart from the operation of the economic system in general. Our credentialing system is at best haphazard and at worst reflects the negative features of all systems. It often prevents the operation of “the market” by defining the education required for credentials in terms not germane to the *in situ* performance of the job. This use of educational credentials favors the wealthier class.

The Marx and Smith view that the relationship between the organized and unorganized sectors is central in any analysis of credentialing is accurate. The “reguilding” of society envisaged by Durkheim began in the mid-19th century with medicine and law, and has extended even to barbers and beauticians. Those moving from the rabble to the credentialed are generally occupational groups on the fringes of the middle class, while those longest credentialed as a group are wealthiest. Western societies can learn from experimentation in current socialist and past *laissez-faire* societies. For example, when medical credentialing and licensing were rolled back in the first half of the 19th

century, an interesting question is whether medical services declined in quality.

Finally, credentialing as we practice it assigns state power to private groups. Durkheim's argument that the guilds that control credentials, if allowed to grow in an uncoordinated and haphazard way, may usurp the functions of the state, is a very persuasive one. The Supreme Court of North Carolina evidently thought so in commenting upon occupational licensing in its state:

No independent administrative supervision is provided over these organizations. No report is made to any responsible branch of government. No audit is made by the State, except where items may incidentally affect the State Treasury. These matters are left to internal control. The organizations are, so to speak, legislatively launched and put on their own.<sup>1</sup>

Much of the analysis given here has already been made in the popular press without the sociologist's or economist's trappings. The charges of obstructive exercise of monopoly power, injustice to excluded classes, and usurpation of state functions are most often leveled at professions that cannot specify what makes a professional or that make right judgment depend heavily on cultural context. Hence the din of critical analyses directed at the credentialing of school teachers and administrators drummed up by the Christian school movement, the New Left in education, and a host of academic analysts before them. The noise is not without some justification. In many states, the schooling professions, through their professional associations, essentially control the state approval and accreditation apparatuses through which most teachers are given the right to teach. In the absence of scientifically verified standards giving a *raison d'être* for excluding people who do not have certain courses or degrees, the present exclusions amount to an arbitrary exercise of monopoly power. They cut out people suited to teaching on common sense grounds — persons having great knowledge in a field but no teacher education or persons knowing the language of the child better than the conventional classroom teachers but lacking the degree.

The evidence for the education that the state requires of teachers and administrators is slim. School administrators are apparently not improved by the programs that credential them (Mitchell, 1972, pp. 32-33). Many teachers and teacher trainees feel that teacher education did not make them better professionals (Olson, 1976, pp. 40-43). On the other hand, traditionally excluded groups of citizens who speak the Indian languages or speak Mexican dialects of Spanish or ghetto black dialects associated with low income status, have not been credentialed in numbers because they could not afford to go to college. They have not found much place in the teaching professions — though many children who belong to their populations speak their language. Common sense suggests that one skill required of a teacher is a capacity to speak the full range of a child's language or dialect.

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1. *State v. Harris*, 216 N.C. 746, 6 S.E. 2nd 854 (1940). Cf. *People v. Brown*, 407 Ill. 565, 95 N.E.2nd 888 (1950); *State v. Morrow*, 231 La. 532, 92 So.2d 70 (1956); *Banjavich v. Louisiana Board for Marine Divers*, 237 La. 467, 111 So.2d 505 (1959); *Louisiana State Board of Embalmers v. Britton*, 244 La. 756, 154 So.2d 389 (1963).

Finally, teacher credentialing, through its dependence on private regional or NCATE accreditation, has, in some states, delegated to the private sector what should be a state function though that problem is less severe than it once was (Olson, 1976, pp. 101-154).

Elitism, dysfunctional exclusion of the competent, and private usurpation of public responsibility may disrupt teacher education no more than other professions such as medicine or law. They simply have been scrutinized less frequently. The basic problem is a lack of coherent social policy concerning licensing. Current practices do not derive from a conception of how our economic system is to work in relation to the certification of people for jobs. In most areas, no research base exists to specify where credentialing might assist professionals to do a better job. Adam Smith suggests that credentialing should be abolished in a free-market system. Marx argues that its only usefulness may be to protect the masses against the classes. Durkheim argues for it, but only as part of an organized plan for universal socialization to a stable occupational group. Our present credentialing policy does not further any of these goals. Instead, its primary function appears to be the legal protection of special interests, not the real protection of the public from harm.

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