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Educational equality from a welfare state perspective: the Logic of the Welfare  
State Regimes in educational policy and structures

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Tiivistelmä/Abstract <p>The cross-national study of educational equality and comparison between countries and education systems enables a diverse study of which factors play a role in the reduction or increase of inequalities in education, and the extent to which the countries education systems reproduce social stratification in the context of educational outcomes. This thesis explores the following research questions: Can countries be grouped according to their educational equality along the same lines as typologies of welfare state regimes? Are educational regimes discernable? And, if so, how do they relate to the logic of the welfare state typologies regarding equal opportunity in the institution of education?</p> <p>The methods used in this thesis are comparative. The data collected is empirical and comparative, through the use of a priori comparative cross-national quantitative research on educational institutions and educational equality. In the discussion section hermeneutic-critical analysis is applied to the theory and empirical findings.</p> <p>Based on recent research and data four educational regimes are found, and named the social democratic, liberal, conservative and Mediterranean educational regime. Each regime is discussed in terms of their educational policy and structures, and the resulting outcomes regarding educational equality. I analyze how the educational regimes relate to the logic of the welfare state typologies regarding equal opportunity. I also consider exceptions to the logic and possible criticism toward the classification of educational regimes.</p>			
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## 1 INTRODUCTION

While institutional features of education systems and outcomes have been widely studied, they have only recently considered the welfare state perspective in education (West & Nikolai, 2013, 474). In the modern welfare societies, basic education is one component of the total social benefits package to which every citizen is entitled (Hega & Hokemaier 2002, 151). It has been deemed as a social right of such importance that, even in the liberal countries which advocate minimal government interference, it is a public policy sector that the state has monopolized for a longer period of time than other sectors, including social insurance and healthcare (Peter et al. 2010, 244). Striking similarities in the strength and character in public education can be seen between the United States and Scandinavian countries, whereas such similarity cannot be found in other service areas like child care and care of the elderly (Baggesen Klitgaard 2007, 451). Particular welfare policy configurations are typically associated with particular tendencies in education policy. Hega and Hokemaier (2002, 151) state: *“The specific nature of a state's social insurance provisions, along with the educational entitlements and opportunities offered, reflects a particular policy profile.”* Peter, Edgerton, & Roberts (2010, 243) also point out that *“There is a notable correspondence between the profile of a country's package of social security programs and its education policy.”* Nevertheless, education has been regarded as different, or special, from the other social policy arenas of the welfare state: it is an alternative form of social protection, with a distinct character from other social programs (Peter et al. 2010, 243).

Allmendinger and Leibfried (2003, 63) argue that rather than being retrospective or compensatory like social security, education is preventative and prospective. Education contributes to the youth and portrays the enhancement of the ideas of equality of opportunity, whereas some social policy instruments reflect questions of dubious ‘worthiness’ of the recipients. In this line of reasoning, education expenditure is perceived as more of an investment into the future as opposed to social welfare programs, which are regarded as more of ‘sunken cost’ to the society. However, although educational policy is often seen as a separate entity from the welfare state social policy, they are fundamentally interrelated public policy sectors (Peter et al. 2010, 243).

There is substantial cross-national variation in the degree of educational inequality characterizing different education systems (Peter et al., 2010, 244). The impact of social origins

on child outcomes in education and life chances has remained persistent (Esping-Andersen, 2008, 19). The strength of this relationship varies considerably among countries, suggesting that some governments are more successful than others in reducing disparities associated with socio-economic status (Beblavý et al. 2011, 5). Research now suggests that the welfare states can be grouped according to their educational equality along the same lines as typologies of welfare state regimes. Logically, factors behind the formation or construction of the welfare regimes have also affected the structures of the education systems. Thus, it would be reasonable to assume that a welfare state regime and its educational structures are likely to promote certain logic of equality and pattern of social stratification, and that education systems are likely to reflect the stratification culture that exists in the foundation of their welfare state building and restructuring. The welfare state framework should serve as a valuable tool for understanding the larger social context, ideologies and cultural-historical trajectories that impact the educational outcomes and level of educational equality in countries at a regime-level.

In this thesis, I aim to show and describe whether, and how, different regimes of welfare states and their underlying ideologies affect the level of educational equality in their compulsory education systems. I explicate this relationship with recent and relevant research and data on institutional factors and educational structures related to educational equality, with emphasis on the equality of educational opportunity. My research questions are:

**Can countries be grouped according to their educational equality along the same lines as typologies of welfare state regimes? Are educational regimes discernable? And, if so, how do they relate to the logic of the welfare state typologies regarding equal opportunity in the institution of education?**

Several attempts have been made to categorize the welfare states. One of the most cited and central frameworks to comparative social policy and welfare state research is Gosta Esping-Andersen's typology of welfare state regimes (Baggesen Klitgaard 2007, 444; Barrientos & Powell, 2004, 86). His book, *The THREE WORLDS OF WELFARE CAPITALISM* (1990), illustrates how a diverse range of social policies categorize advanced welfare states into liberal, social democratic and conservative regimes imprinted by the political ideology behind their development and differentiated by the social stratification system they promote through welfare policies. (Esping-Andersen 1990, 23). Although the Esping-Andersen typology has been subject to wide-ranging debate and criticism, most researchers

in the welfare state arena use it either heuristically, or to test or build on. This theoretical classification serves as the starting point and comparative framework for this thesis.

Contemporary research on educational equality emphasizes certain factors in the creation of educational inequality. The cross-national study of educational equality and comparison between countries and education systems enables a diverse study of which factors play a role in the reduction or increase of inequalities in education, and the extent to which the countries education systems reproduce social stratification in the context of educational outcomes. The different levels of student achievement and educational inequality in country comparison can reflect similarities and differences in the education and welfare systems that produce the varying results. Available time resources limit the scope and focus of this research to the study of institutional factors and structures of education systems and their relation to educational equality, thereby mostly excluding the study of the effect of welfare state policies, although a combination of the approaches would yield a more comprehensive picture of factors that relate to educational equality.

According to Peter, Edgerton, & Roberts (2010, 247-8), assessing similarities and differences between welfare state regimes in how they organize their society and education in terms of equality “... *can help to distinguish the assumptions underlying particular social policy contexts and to identify potential alternatives*”. The findings in this thesis should benefit instances involved in social and educational policy.

In the second chapter of this thesis, I introduce the **THE THREE WORLDS OF WELFARE CAPITALISM** classification which serves as the theoretical starting point and comparative framework for this thesis. The information provided is mostly a condensation of my own candidate’s thesis (Railasto-Moran, 2014). The third chapter introduces how educational equality is defined and measured. It also discusses the most prominent factors in educational policy and institutional features/structures of education systems found in contemporary research affecting educational equality. Methodology is presented next. The fifth chapter introduces the studies which agree or disagree with the idea of clustering of welfare states into educational regimes based on their levels of educational equality. It explains the research and data on institutional factors and educational structures related to educational equality in the education regimes. In the discussion chapter these implications of the research literature are analyzed. I will discuss how, and to what extent, each welfare

and educational regime logic affect the level of educational equality. I also consider possible criticism toward such logic.



## 2 WELFARE STATE

This chapter describes the welfare state, its definitions and development. Also, brief discussion is allotted to the most prominent liberalist theories which have shaped the ideological construction of the welfare states in terms of their conceptions of equality.

### 2.1 Definitions of welfare state

The welfare state has many definitions which relate to its purposes and functions. In a narrow sense, the welfare state can be defined as a provider of basic needs, income and services; a modifier of market forces; or, in a broader sense, a structure for distribution of justice and social equality in society. In *Citizenship and Social Class* (1950, in Willemsse & de Beer, 2012, 22), T.H. Marshall attests that basic and social needs should be considered social rights and that social rights should reflect the economic and social needs and living standards of the society and be granted as a right of citizenship rather than being conditional to varying criteria. Haralambos & Holborn (2008, 213) write that “*the welfare state exists where governments decide that private enterprise is failing to meet what the government sees as the social needs of its citizens.*”. The welfare state is thus depicted as an organized response to an economic system or structures, i.e., capitalism and its institutions, which fail to provide members of society with their basic and/or social needs. Giddens (2006, 365) adds that “*An important role of the welfare state is managing the risks faced by people over the course of their lives: sickness, disability, job loss and old age.*” A social security system provided by the welfare state regulates individuals’ life chances by redistributing income, risks and services and thus provides protection against the market’s rigidity (Roosma, Gelissen, & van Oorschot, 2013, 237).

It is also argued that the welfare state is the institutionalized answer to the distributional justice question of “*How (should) a society or group (...) allocate its scarce resources or product to individuals with competing needs and claims?*” (Roosma et al. 2013, 237). The welfare states cannot function without a shared idea of justice and fairness that determines what the state should do, what it can do and how it is done (Roosma et al., 2013, 237). In essence, the welfare states are socio-political constructs which are “*unable to exist without support from normative arguments and moral convictions*” (Baggesen Klitgaard 2007,

447). The approach to justice, fairness and equality in a society forms the background for the ideology and value rhetoric that guides its welfare policies and institutions.

## **2.2 Liberal ideology: A shared idea of justice and fairness**

The commitment to the political ideal of equality, that all men are created equal, which is now “...*thoroughly entrenched in the political thought, rhetoric, and institutions of all Western Democracies*” became dominant with the advent of liberal political theories in the sixteenth and seventeenth century Europe and began the process of democratization in nation-states. Couched within the liberal tradition is the idea of a meritocratic society. (Chambliss, 1996, 192.) It assumes that Western societies and its institutions operate on meritocratic principles where status is achieved on the basis of an individual’s merit: her talent, motivation, and effort. The same standards are applied to all individuals despite their ascribed characteristics, such as gender, race, family background, or class. (Haralambos & Holborn 2008, 601, 612.) The achievement of status through merit is a formal or informal competitive process that can take place, for example, in the job market or educational institutions. It produces *social stratification*, which Giddens (2006) defines as the existence of structured inequalities between individuals and groups in a society. In order for the competition for status to be fair, inequalities and social stratification should result from fair procedures (Brighouse, Howe, Tooley, & Haydon, 2010, 27).

Liberal ideology argue for equality of opportunity: a society should be constructed in a way that allows all of its members to have a chance to achieve the same outcomes and to be eligible to pursue their life choices (Beblavý et al. 2011, 1; Arneson, 2008). Equality of opportunity allows for social mobility, i.e., the movement of individuals and groups between different socioeconomic positions. Intragenerational mobility reflects how far up or down the social scale an individual can move in the course of their working life and intergenerational mobility reflects how far a child enters the same type of occupation as his/her parents or grandparents. (Giddens, 2006.) If a society is structured in a way that allows individuals to change their economic or social status, it allows for social mobility. However, the essence of the idea of equality of opportunity is contested by the three most prominent liberal theories of social justice. These are libertarianism, utilitarianism, and liberal egalitarianism. They differ in their view of what equality of opportunity means, i.e., what constitutes fair competition and how a fair society is constructed, and the degree to which

intervention of the state is tolerated in social institutions and practices in order to equalize opportunity. (Chambliss, 1996, 192.)

### 2.2.1 Libertarianism

*Libertarianism* identifies equality of opportunity with equal treatment of individuals. It emphasizes formal, especially legal, measures which prohibit discrimination against individuals and groups on the basis of criteria such as race, gender or language. (Chambliss, 1996, 192.) This basic understanding of equality is referred to as the minimal concept of equality of opportunity (Bailey, 2010, 117). It is often criticized for leaving out consideration for those who lack some of the cultural, linguistic, political, economic, physical resources necessary to take advantage of the formal opportunities and for dismissal of the effects of informal yet powerful bias against certain groups. Libertarianism advocates minimal interference and intervention by the state in their exercise of power. The redistribution of resources by the state is seen as an obstruction of individual liberty. (Chambliss, 1996, 192.)

### 2.2.2 Utilitarianism

*Utilitarianism* aims for the principle of maximizing the total good. Thus, they accept interventionist or redistributive policies on the condition that they benefit the society as a whole. The logic of utilitarianism has prevailed in the development of advanced industrialized nations throughout the 19<sup>th</sup> and 20<sup>th</sup> centuries. (Chambliss, 1996, 193.) For example, the public financing and expansion of free education has been justified and accepted due to the reasoning that it brings benefits to the entire society; e.g., increase in educational attainment is associated with greater income and productivity in the society (Koski & Reich, 2006, 599).

### 2.2.3 Liberal egalitarianism

Utilitarianism has most notably been critiqued by the seminal liberal egalitarian John Rawls in his book **A THEORY OF JUSTICE** (1971). He claims that utilitarianism allows the violation of minority for the benefit of the majority (Chambliss, 1996, 192). While Rawls agrees with the principle of meritocracy, he also believes that a just society will compen-

sate for the injustice of undeserved disadvantage. An undeserved disadvantage refers to disadvantages that individuals have no control over and that arise from natural or social contingencies, such as parentage, disability, even talent. (Ruitenberg & Vokey, 2010, 406.) Rawls upholds the ‘principle of redress’:

... in order to treat all persons equally, to provide genuine equality of opportunity, society must give more attention to those with fewer native assets and to those born into the less favourable positions. The idea is to redress the bias of contingencies in the direction of equality.” (Rawls, 1971, 100-101)

Thus, this interpretation of equal opportunity requires social institutions to actively intervene to mitigate and eliminate persistent inequality in the circumstances of individuals, especially ones due to undeserved disadvantage (Chambliss, 1996, 193). *Liberal egalitarianism* may be seen approaching another debated concept of equality, the equality of outcome, which asserts that “...*the endpoint of a process ought to be the same for everyone who goes through it.*” (Bailey, 2010, 117). However, unlike strict egalitarianism and the principle of equality of outcome, liberal egalitarianism and its conception of equal opportunity do not claim that inequality must always be eliminated, rather that its existence must be justified (Chambliss, 1996, 194). Liberal egalitarians believe that inequality must result from fair procedures and structures, and the state should align its institutions to ensure that.

Although, as mentioned before, the logic of utilitarianism has been prevalent, the different approaches to equality of opportunity can be seen in the development and logic of the diverse welfare states that exist today. Also, at different times during the development of the welfare state different ideological and political perspectives have been dominant and influenced government policies (Haralambos & Holborn, 2008, 260-261).

### **2.3 Three Worlds of Welfare Capitalism**

In his influential book **THE THREE WORLDS OF WELFARE CAPITALISM** Esping-Andersen claims that:

Modern democracies are clustered into three worlds of welfare capitalism, imprinted by the political ideology behind their development and differentiated by the social stratification system they promote through welfare policies. (Esping-Andersen 1990, 23).

Because Esping-Andersen’s explanation of welfare policy development is considered a political power resources theory because it focuses on the variation of the different developmental paths that have led to diverse welfare states. It relates the different paths to the

way power resources are distributed and mobilized in the societies and the political coalitions have been formed. The power resources approach “*is explicitly built upon the political, i.e., values, ideologies, interests, struggles, choices and action*”. (Kemppainen, 2012, 14-15.) The **THREE WORLDS OF WELFARE CAPITALISM** (1990), categorizes advanced welfare states according to their diverse range of social policies into liberal, social democratic and conservative regimes (Peter et al., 2010, 245). The regimes are named after the ideologies that support the models (Kemppainen, 2012, 14). The countries included in his study are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States (Esping-Andersen 1990). No African or Latin American countries were included in the study.

### 2.3.1 Criteria used for grouping welfare states into regimes

The clusters of nation-states are grouped according to three criteria: social rights, social stratification and the public-private mix in terms of their pensions, sickness and unemployment benefits. The welfare regimes can be identified on each of these individual components or on all three put together. (Barrientos & Powell, 2004, 84-85). He further modified and elaborated this research in his book the *Social Foundations of Postindustrial Economies* (1999) by adding a fourth criteria called (de)familialism (Beblavý, Thum, & Veselkova, 2011, 4; Meulders & O’Dorchai, 2007, 12) . These four criteria are discussed next.

#### **Public-private mix**

With regards to the criteria of the public-private mix, Esping-Andersen pays attention to the range of which human needs are given the status of a social right and which of the essential human needs are deemed to be secured by public arrangements and which by private institutions (Esping-Andersen, 1990, 80). Public-private mix provides the structural context for social rights, de-commodification and stratification in the welfare state regimes. With regard to de-commodification and stratification in the following text, it manifests itself in the ratio of public versus private spending. However, the proportion of public spending in the total spending can be misleading as a de-commodifying element; what really matters is the way that the money is targeted and distributed in the society. (Esping-Andersen 1990; Barrientos & Powell 2004.)

### ***Social rights and decommodification***

Esping-Andersen views social rights from the point of view that they ‘de-commodify’ citizens (Esping-Andersen, 1990, 3). Decommodification means that a person can maintain a socially acceptable standard of living without reliance on the market and that this is a right of every citizen (Esping-Andersen, 1990, 22; 37). Decommodification potential is determined by the ease of access to the social service (e.g., eligibility conditions and rules and restrictions on entitlements) and the right to an adequate standard of living, regardless of conditions such as a previous employment record, means-testing<sup>1</sup> or financial contribution. (Esping-Andersen, 1990: 47); Willemse & de Beer, 2012, 22).

### ***Social stratification***

By redistributing wealth, the welfare state becomes an active force in ordering social relations in the society (Esping-Andersen, 1990, 23; Barrientos & Powell, 2004, 86). It intervenes in the level of economic or social inequality in the given society: it may maintain, ameliorate or even exacerbate the existing inequality. It therefore follows that the welfare state is also a system of stratification in itself because it produces a status hierarchy that is promoted directly and indirectly by social policy. (Esping-Andersen, 1990, 3, 23, 55; Willemse & de Beer, 2012, 107-8). Distinct formulations of social policies produce varying levels of equality and social stratification in the different welfare states. Stratification in the welfare states was measured in Esping-Andersen’s study by determining the stratifying potential of the influence of *corporatism*, which means the degree of organization of a society into organs of political representation which exercise power to improve the position of its interest group and *etatism*, which implies a centralized government and interference with the market;. He also studies means-testing; private (vs. public) spending; universalism; and, benefit equality in determining social stratification. (Esping-Andersen, 1990, 59; Barrientos & Powell, 2004, 86.)

### ***Defamilialism***

A fourth criteria for the grouping of the welfare states into regimes was introduced called familialism or defamilialism, which refers to the welfare burden assumed by families and the public policies aimed at them (Beblavý et al. 2011, 4). According to Lister (1997 in Meulders & O’Dorchai, 2007, 12) defamilialism is defined as ‘*the degree to which individual adults can uphold a socially acceptable standard of living, independently of family*

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<sup>1</sup> Means-testing refers to a financial review or proof that government assistance is needed in order to fulfil basic needs or to determine an individual’s eligibility or need for the social assistance in question’

*relationships, either through paid work or through social security provisions.*’. A familialistic welfare regime assigns most of the welfare obligations to the household, as opposed to the market or the state. An example of such a policy instrument or social right is maternity leave benefits that are granted to the individual regardless of familial or conjugal ties. This means that the benefits are not adjusted to the income of the family or the spouse.

### 2.3.2 Logic of the welfare state regimes

In the introduction of the **THREE WORLDS OF WELFARE CAPITALISM** (1990, 3), Esping-Andersen states that the three regime types of welfare states are:

each organized around its own concrete logic of organization, stratification, and societal integration. They owe their origins to different historical forces, and they follow qualitatively different developmental trajectories.

This chapter describes the logic and characteristics of the liberal, social democratic and conservative regimes by discussing the historical development of their underlying normative and political ideology, and their social policy elements and structures that stratify and de-commodify their societies.

#### *Liberal welfare state regime*

The historical political ideology of a liberal welfare state is based on the 19<sup>th</sup> century philosophy of economics called liberalism which is also derived from liberal theory. It promotes free-market capitalism with minimal state interference and is often referred to as *laissez-faire* management of economy. The idea is that a free market allows individuals to realize their potential, regardless of the pre-existing social hierarchies. (Esping-Andersen 1990, 9-10; Beblavý et al. 2011, 2). Equality is achieved through labor market opportunity, and the meritocratic notion of effort and ‘just deserts’ principle justifies inequality in the system. Capitalism therefore provides people with equal opportunity to compete and financially advance in the market economy. Government interference hampers this market efficiency; the rhetoric is that the more the government interferes, the more it is seen as infringing on the individual liberties of the citizens. Perhaps resulting from the competitive labor market and minimal government, a liberal state may experience weak trade unions and a fragmented and decentralized state. (Peter et al., 2010, 245-6.)

Minimal state protection means that the informal and voluntary sectors are the foremost supporting elements should the individual face some unexpected difficulties. Risks are

individualized: citizens must plan for risks regarding unemployment, retirement and family. (Baggesen Klitgaard 2007, 446.) Private welfare schemes, e.g., private healthcare insurance, are encouraged passively by supplying only the minimum benefit or service or actively by subsidizing market providers. The state provides the minimum amount of benefits so that the individuals would opt for work rather than social assistance. The rules to entitlement of the benefits are very strict and require means-testing. (Esping-Andersen 1990, 26–27, 167.) The use of market forces in state services, as in introducing competition, or giving greater financial independence and more control over resources for providers, is encouraged to create more efficiency in the running of institutions (Haralambos & Holborn 2008, 272).

Countries that belong to this regime are the Anglo Saxon nations USA, Canada, the UK, Ireland, Australia and New Zealand. They are utilitarian in their approach to equal opportunity and the welfare state but these countries' welfare systems range from being more influenced by the libertarian minimal interpretation of equality of opportunity and minimal government interference (e.g., the USA) to being more influenced by liberal egalitarianism (e.g., Canada). However, overall these countries stand out as a regime because the de-commodification effects of their social policies, although diverse, are generally low and the patterns of social stratification in these welfare states are to a relatively large extent produced by market forces ( Esping-Andersen 1990, 26–7; Peter et al., 2010, 245-6; Baggesen Klitgaard 2007, 446).

### ***Social democratic welfare state regime***

The social democratic political economy is historically rooted in socialist Marxist ideology (Peter et al., 2010, 247). “*The principles of socialist stratification*” are best exemplified in the concept of the Swedish ‘people’s home’ and in the often used quote from the speech of the social democrat leader and two-time prime minister of Sweden, Per Albin Hansson, in the late 1920s:

In a good home there prevails equality, thoughtfulness, cooperation, helpfulness. . . . [The] citizens’ home . . . implies a breaking down of all social and economic barriers which now divide citizens between the privileged and the forgotten, the rulers and the dependent, the rich and poor. (Scruggs & Allan, 2008, 645.)

Social democrats believe that equality and justice in a capitalist society can be achieved through democratic parliamentary reformism and social policy: by providing social resources, health and education to the people the welfare state increases the political capaci-



ties of its citizens and diminishes the social divisions in society, all the while also improving the economic efficiency of the country (Esping-Andersen, 1990, 12). The promotion of equality and decommodification of social rights requires advanced ambitious and generous universal welfare social provisions, i.e., an access to comprehensive services of healthcare, familial services, tertiary education, social and unemployment benefits and pensions for all citizens. In most social democratic countries comparatively effective daycare and familial policies support the return to work for mothers. (Beblavý et al. 2011, 3-4.) Such policies require heavy-handed government organization and interference in suppressing the role of the market in forming social stratification patterns (Esping-Andersen 1999, 78– 9; Baggesen Klitgaard 2007, 446-7).

The universal coverage of citizens, the liberal egalitarian focus on the most vulnerable groups in society in the form of positive discrimination and the strong degree of socialization of risks require a strong pro-welfare state coalition and solidarity in favor of the welfare state in the social-democratic countries (Esping-Andersen 1999, 78). Universality of the benefits seems to justify the strong government interference and higher taxation that come along with it: “*All benefit; all are dependent; and all will presumably feel obliged to pay.*” (Esping-Andersen, 1990: 169). Another factor contributing to the historically strong support of the social democratic welfare model is that some social benefits are related to the individual’s salary. While the arrangement in essence promotes inequality, i.e., the welfare provision stratifies groups, it also secures the tax-paying middle-class support for the social democratic system (Esping-Andersen, 1990, 26). This implies that should some of the benefits become conditional, e.g., should eligibility for child allowances become dependent on means-testing, or benefits become flat-rate, the support for the social-democratic welfare model might wane.

According to the typology, the Scandinavian or Nordic countries, Sweden, Norway, Finland, Iceland and Denmark, belong to the social-democratic regime. Esping-Andersen (1990, 18) emphasizes the historical-political fact that in these countries “*the Keynesian full-employment commitment and the social democratic welfare-state edifice have been traced to the capacity of (variably) strong working-class movements to forge a political alliance with farmer organizations*”. The historical strength of this coalition may be a factor in explaining the prevalence of socialist and universal social policy in the regime.

### *Conservative welfare state regimes*

Historically the conservative welfare states have relied on traditionalist political economy (Peter et al. 2010, 246). It is grounded on the idea that patriarchy and absolutism, i.e., strong control by the sovereign or the state, guarantee the best possible legal, political and social security in society. An efficiently productive society emerges from discipline upheld by the state, not from market competition, and social order can be maintained by hierarchy and retaining class, status and rank in society. (Esping-Andersen, 1990, 9-11.)

The conservative regime is often also referred to as the *corporatist* regime because of the strong history of professional guilds and benefit associations. Prior to capitalist labor markets artisans and craftsmen organized into guilds and later into mutual societies that integrated pay and welfare, for example, in the form of care for disabled members or orphaned children of members. Access to these associations and benefits was restricted and membership hierarchical. (Esping-Andersen, 1990, 39.) It is still typical for this regime that different social groups are given differential social rights and privileges based on their class and status (Esping-Andersen 1990, 24). The status differentials are preserved through social benefits that are tied to individual wage-earner's contributions (Peter et al. 2010, 246; Beblavý et al., 2011, 2). The level of social expenditure in conservative countries is quite high but, because the money is ear-marked status-specifically, and the impact of redistribution is negligible (Esping-Andersen, 1990, 27; Peter et al., 2010, 247; Beblavý et al., 2011, 2). In other words, it lacks the liberal egalitarian focus on income transfers to the most vulnerable groups. The above corporatist and etatist characteristics of conservative welfare states mean that social stratification patterns are organized by political action to maintain social or status differences and, presumably, social stability, rather than affected by market forces (Esping-Andersen 1990, 27; Baggesen Klitgaard 2007, 447).

According to Kersbergen the dominant political force behind the development of the conservative welfare states has been the coalition between Christian Democrats and Conservatives. The church and religious institutions have been and continue to be involved in the provision of welfare services such as day care and kindergarten, and health and education. (Peter et al. 2010, 246.) This strong affiliation with the church has promoted the preservation of traditional familyhood and gender roles (Esping-Andersen, 1990, 168). There might also be an underdeveloped daycare system, which further encourages mothers to stay at home instead of opting for work. However, the regard of daycare as a social right varies considerably between the conservative countries in the study, and therefore it is argued that

daycare arrangements cannot be classified as a factor supporting the regime typology (Beblavý et al. 2011, 3-4).

Countries that belong to the conservative welfare state regime are Germany, France, Austria, Belgium, Italy, Japan, Switzerland and the Netherlands. These countries in general combine a moderately high level of decommodification with a high level of stratification (Willemse & de Beer, 2012, 22).

### 2.3.3 Criticism of the Three Worlds of Welfare Capitalism

Literature generally agrees that the Esping-Andersen's typology has veritable merits. Since it was published in 1990, the **THREE WORLDS OF WELFARE CAPITALISM** has been a seminal framework in studies in the fields of comparative social policy and political economy (Scruggs & Allan, 2008, 643). It shifted the focus of welfare state research from social spending to qualitatively different welfare policy arrangements. (Kemppainen, 2012, 14; Scruggs & Allan, 2008, 644). Esping-Andersen (1990, 19) states: "*By scoring welfare states on spending, we assume that all spending counts equally.*" He argued that rather than looking at how much money a state dedicates to its social policy programs, research should focus on the effects of the welfare programs on social structure. Although based on the formulation of the earlier three-fold models of welfare states by Titmuss and Wilensky and Lebeaux, Esping-Andersen's empirical research helped to "*bring conceptual order to the analysis of real welfare systems*" (Kemppainen, 2012, 16).

Many studies have also sought to replicate or test Esping-Andersen's research to confirm or contest its validity and reliability or to find evidence of stability or change in the typology. The **THREE WORLDS OF WELFARE CAPITALISM** has consequently been criticized for a variety of shortcomings. Criticism of Esping-Andersen's book in the literature mostly concern different aspects of the regime typology, methodological and empirical issues and the study's focus on cash benefits with the expense of other key social policy, including an insufficient consideration of gender or family in the analysis. The following text highlights some of these criticisms.

#### *Criticism regarding the regime typology*

It can be argued that welfare regimes artificially condense the countries into groups, the description of which does not apply to any single country in that group. Esping-Andersen

was aware of the danger, and he comments in the introduction to the **THREE WORLDS OF WELFARE CAPITALISM** (1990) that a broader comparative approach implies a trade-off:

Since our intention is to understand the ‘big picture’, we shall not be able to dwell on the detailed characteristics of the various social programs. So, when we study pensions, our concern is not pensions per se, but the ways they elucidate how different nations arrive at their peculiar public-private sector mix. A related trade-off is that large-scale comparisons such as ours prohibit detailed treatments of individual countries. I am convinced that readers knowledgeable about any of the 18 nations included in the study will feel that my treatment of ‘their’ country is superficial, if not outright misrepresentative. This is unfortunately the price to be paid for making grand comparisons, given the intellectual limitations of the author and the page limitations set by the book publisher. (Esping-Andersen, 1990, 2).

Esping-Andersen also points out that there is no single country that corresponds exactly to the regime type (Esping-Andersen 1990, 28). An inherent trade-off in a classification is that while it enables a clearer understanding of patterns, it also blurs differences between the details (Kemppainen, 2012, 18, 78). Therefore, all welfare state classifications should be approached with some caution. They may include countries, such as Germany, Norway and Sweden, in the Esping-Andersen’s study which appear as stable and stereotypical countries in their regime, as well as countries with very weak correlations to their assigned regime, such as the Netherlands and Switzerland (Kemppainen, 2012, 18).

### *“Frozen landscape”*

The **THREE WORLDS OF WELFARE CAPITALISM** is often accused for having a path-dependency aspect. As a political resource theory, Esping-Andersen’s explanation of welfare policy development claims that the historically and politically related ideology and actors within countries and regimes create, to an extent, a path-dependency that constrains or directs their social policy development. (Kemppainen, 2012, 17.) It has been debated whether

this ‘politics and history matters’ approach leads to an excessively static, “frozen landscape” conception of welfare policy and, consequently, prevents us from understanding the unfolding of other possible futures.... (Kemppainen, 2012, 17)

Esping-Andersen did not advocate a ‘frozen landscape’ view of welfare state development. It is well in line with the political power resources theory that the welfare states are not regime-static in their development; political struggles continue to influence the welfare system and its institutions (Peter et al. 2010, 247-248). However, a recent body of research does claim that existing structures and social policy configurations are likely to find broad political support during times of economic challenges and calls for reform (Baggesen Klitgaard 2007, 445-448). This way the belief systems tend to keep the welfare

state development relatively stable over time (Beblavý et al. 2011, 1). Baggesen Klitgaard (2007, 447-8) proposes that in times of change, liberal systems are likely to promote the choices that support the market as a provider of ‘equality of opportunity’ whereas the social-democrats are likely to lean towards a more egalitarian approach and a conservative welfare state is still likely to rely on its corporatist tradition. However, such presupposition should be dealt with caution because shifts in ideological and political perspectives influence societies and government policies and may gradually erode or enhance some tendencies of the welfare state regimes. Just such a recent supranational shift toward neoliberal ideology is discussed next.

### *Effect of time on regime types*

The Esping-Andersen research was published in 1990 and it used labor market data from 1980 (Bambra, 2006). To date, that data is now more than three decades old and it is therefore reasonable to ask whether the typology is any longer accurate. Scruggs and Allan (2008) evaluated changes in welfare stratification from about 1980 to about 2000. Results from the study suggest a decline in conservative stratification among the key conservative welfare states for the late 1990s, especially Italy and Germany. The ‘privileged status’ of state workers in those countries has declined over time. Overall, the welfare states in the study were more liberal in 2000 than in 1980s. There is a general development towards ‘liberalization’, especially in the health care sector: although it continues to be mostly public, there is an increasing trend towards privatization. (Scruggs & Allan, 2008, 651; 653). The countries have also become less egalitarian over time, and more residual. While seemingly more egalitarian development has taken place with social programs, such as unemployment, pension benefits and sick pay, which have become universal and pay approximately flat-rate, and the real spending has increased, the focus has yet been on targeted programs and nominal benefits and more risks have been individualized. (Scruggs & Allan, 2008, 659; 663-4).

### *Empirical and methodological issues*

Some studies claim that there are empirical and methodological discrepancies and mistakes in the Esping-Andersen study which may have led to the three-fold typology structure and misclassifications of countries.

Bambra (2006) has found limitations of Esping-Andersen’s methodology with respect to the decommodification indexes. The **THREE WORLDS OF WELFARE CAPITALISM** use of

averages and standard deviations around the mean is criticized because its design naturally only Esping-Andersen produces three-fold typologies. The use of more statistically robust methodologies (cluster analysis) on the same range countries actually identified four or five different types of welfare state. It has suggested been that Esping-Andersen's *a priori* theoretical framework of the three welfare state regimes may have influenced the choice and development of the methodology used to empirically test their existence (Bambra, 2006). In other words, the methodology may have been chosen to yield results that would support the theory of the **THREE WORLDS OF WELFARE CAPITALISM**, rather than expose other possible frameworks or classifications.

Bambra (2006) claimed that miscalculations and details of indexing and weighting in the decommodification criteria have resulted in the misclassification of Japan, The UK and Ireland within their decommodification group. Scruggs and Allan (2008) replicated and re-evaluated the social stratification indices that were used in the **THREE WORLDS OF WELFARE CAPITALISM** and also found discrepancies and errors in the methodology (Scruggs & Allan, 2008, 660). For example, in their reanalysis of the original data at least three countries, Denmark, Finland and New Zealand, emerge much more liberal than suggested by Esping-Andersen (Scruggs & Allan, 2008, 655).

These two studies, among others, express doubt about the solidity of the empirical basis for Esping-Andersen's typology. Scruggs and Allan (2008, 661) claim that one-third of the countries in the study do not have a clear stratification profile, which would indicate less empirical support for coherent welfare regime types. Bambra (2006) concludes that, with regards to decommodification, there is doubt to the extent that the typology still exists, or in empirical terms, if it actually ever did. However, it should be noted that each of these studies left out two out of three criteria that form the regimes, and therefore the research is indicative but not entirely comparative to the original **THREE WORLDS OF WELFARE CAPITALISM** (Bambra 2006).

### *More diverse regimes*

On the other hand, many studies have deemed the **THREE WORLDS OF WELFARE CAPITALISM** framework feasible or valid to build on: most classifications cluster welfare policy regimes in a fairly consistent manner, yielding a Nordic, Anglo-Saxon and a Continental European welfare regime, with the addition of a few new regimes (Kempainen, 2012, 17). They may suggest rearranging the placement of some countries and/or adding new, more

descriptive regimes to the original typology. For example, Bonoli (1997), Ferrera, (1996), Ferreira and Figuardo (2005) and Castles and Mitchell (1993) propose that Italy, along with other Southern European countries, form a ‘Southern’ or ‘Mediterranean’ welfare state regime. They think that Italy stands apart from the conservative regime due to a high degree of fragmentation of social security and even higher reliance on the family. (Beblavý, 2011, 3; Barrientos & Powell, 2004, 86). Also Vogel (1999) establishes a different category for the Southern European nations; he calls it the Rudimentary Welfare State Regime. The word rudimentary refers to mostly underdeveloped social provisions in the countries, which leaves welfare to the household subsistence economy and large informal sector. These countries also share a history of totalitarian rule in the 20th century which has retarded the development of their welfare state services. (Papapolydorou 2010, 127-8.)

Aspalter (2006), Croissant (2004) and Walker (2005) argue that Japan is misplaced as a conservative welfare state; a Confucian welfare regime would better describe the essence of countries such as Japan, South Korea, Taiwan, Hong Kong and Singapore. These welfare states are characterized by minimal government intervention and investment in social services, underdeveloped public service provision and reliance on family and voluntary sectors. (Beblavý, 2011, 3.) Also, an Eastern European group characterized by less generous social policy and a relatively fragile social situation has been proposed (Kemppainen, 2012, 18). However, none of these countries were involved in the original **THREE WORLDS OF WELFARE CAPITALISM** research.

Many of the typologies which have critiqued Esping-Andersen’s work on the grounds of the countries in the regimes or addition of regimes or gender issues, still considerably overlap with the original classification. Most classifications cluster real welfare policy regimes in a fairly consistent manner, yielding a Nordic, Anglo-Saxon and a Continental European welfare regime, with the addition of a few new regimes, as described above. (Kemppainen, 2012, 17.) While new formulations of clustering and addition of countries further contribute to the welfare state research, it should be noted that the formulation of any new regime clusters is still very much a work in progress to be extensively validated. Because of the unresolved debate regarding the grouping or clustering of the welfare states, many researchers still opt to use the **THREE WORLDS OF WELFARE CAPITALISM** typology as the framework for their analysis. Any who choose to do so, should nevertheless keep in mind Olsen’s (2002, in Peter et al. 2010, 259-260) observation that it is “*important to maintain the notion of continua in order to differentiate between nations in the same grouping and*

*to track change over time in terms of the various policy dimensions comprising welfare systems.”*

### ***Other key social policy dimensions***

Some research claim that the analytical focus of the **THREE WORLDS OF WELFARE CAPITALISM** typology has been overtly concentrated on cash benefits like pensions, unemployment benefits and social assistance. It is said to overlook other key issues within welfare state such as the connection with the labor market or services like health care, education, child care and care of the elderly. (Bambra, 2006; Baggesen Klitgaard 2007, 445; Beblavý et al., 2011, 3).

The focus on cash benefits is said to reflect “*the old, passive politics of the welfare state*”. The **THREE WORLDS OF WELFARE CAPITALISM** largely concentrates on passive income maintenance programs, such as pension and social security spending, while today’s welfare state debate calls for preventive and active measures, such as “*examining clearer links between the economic and the social, and work and welfare*”. (Barrientos & Powell, 2004, 86.) In order to take into account “*the new discourse of ‘activation’ and ‘supply-side’ policies of national governments.*” Powell and Barrientos (2004) present a different approach to appraising welfare regimes. They stress different and more active variables, such as the welfare mix and active labor market policies, and techniques to those used by Esping-Andersen compares regimes over time. Despite the different approaches, they conclude that their findings are in line with Esping-Andersen’s typology of three worlds of welfare capitalism. They also found that clustering of the welfare regimes was sharper in the mid-1990s as compared to the mid-1980s, and that comparing welfare regimes between these decades indicates strong path-dependence during which the OECD countries have adopted policies, including the active labor market policies, which reinforce their welfare mix. (Barrientos & Powell, 2004, 86.)

There is criticism on Esping-Andersen’s insufficient consideration of gender or family in the **THREE WORLDS OF WELFARE CAPITALISM**. It should be noted that the distinction into the three regimes does not seem to apply once social services such as childcare, care for elderly or parental benefits are taken into account. For example, in addition to Denmark, Sweden, and Finland, countries which seem to have ambitious childcare provision and policies to support the employment of mothers also include France, Italy and Belgium. (Beblavý et al., 2011, 3.) In the typology, the latter three countries are grouped under the



conservative regime which is claimed to promote the preservation of traditional familyhood and gender roles. Also, on a number of dimensions of family and health care policy, Canada appears a hybrid social-liberal welfare state (Peter et al. 2010, 259-260). Thus, there is some discrepancy between the typology and contemporary research. Agreeably, the **THREE WORLDS OF WELFARE CAPITALISM** does not specifically address these diverse services. It has, on the other hand, inspired further research and analysis of health care, child care and care of the elderly, and lately education, within the framework of the welfare state regimes.

### 3 EDUCATIONAL EQUALITY

This chapter first considers liberal ideology in the distribution of equality in education systems. Discussion of what educational stratification means and how educational equality is measured is discussed next. Finally, I introduce the most prominent factors affecting educational equality found in literature.

#### 3.1 Liberal ideology and education

Much like the welfare state, its educational institutions are socio-political constructs which rely on normative arguments and moral convictions. The ideal of justice in the society affects how it structures its education system, i.e., what is considered fair treatment. Arguments in the field of research of educational equality in advanced Western nations also stem from the liberal theories of social justice and the ideal of equality of opportunity (Bailey, 2010, 114).

The basis for equality is fairness or equity in the way the society and its institutions, such as the education system, are structured. The terms equality of educational opportunity and equal educational opportunity have been used to refer to a mix of policies used in the pursuit of educational equality, e.g., equal input resources to schools; access to different levels of education, regardless of student's sex or social origin, or according to the child's age, aptitude and ability; access to comprehensive schooling equal; or equal educational outcomes. However, Coleman (1975, in West & Nikolai, 2013, 471) reminds us that while the terms may imply that educational equality is an achievable policy goal, realistically only reductions in inequality can be expected.

In practice the structuring of educational systems reflect distinct interpretations of, and various emphases on, equality of educational opportunity. Koski and Reich (2006) describe three different approaches to distributing educational opportunities. Following, their approaches have been connected to the dimensions of liberal ideology discussed earlier. The conception of equal educational opportunity as *horizontal equity* requires that all children have equal access to education and that education does not discriminate against any child or a group of students. It does not, however, take into consideration the needs and disadvantage of students who are in some way disadvantaged or gifted. The '*do no harm*' conception of equality of educational opportunity holds that schools should not exacerbate the

already existing inequalities, such as native endowment or social background, which students come to school with (Koski & Reich 2006, 608-10). These can be considered the libertarian ‘minimal’ concept of equality of opportunity and minimal intervention.

The conception of equality of educational opportunity as *vertical equity* seeks to reduce social inequality in the education system. It has a liberal egalitarian approach to education: it does not wish to overcome or reduce all inequalities, but to redress inequalities that are beyond the students’ control. Thus, it is justifiable to treat the students unequally to improve equality of opportunity in schools. (Koski & Reich 2006, 610; Bailey 2010, 405-6; Beblavý et al. 2011, 1.) Utilitarians accept vertical equity in educational programs which target disadvantaged children on the condition that they benefit the society as a whole. Liberal egalitarians argue for the greatest benefit to the least advantaged irrespective of the regard for ‘maximizing the total good’. They may approach vertical equity as ‘*equality of outcome*’ or ‘*equality of condition*’ depending on the focus area. With equality of outcome, the key consideration is different treatment for those from more disadvantaged backgrounds, and the policy intervention targets primary and pre-school provision. Equality of condition “*calls for the eradication of all significant divisions of wealth and income*”, and the policy intervention is extended to redistributive institutions. (West and Nikolai 2013, 471.) In other words, it is believed that in order to achieve equality of condition, measures must be taken beyond the education policy and into the welfare state policy arena.

### **3.2 Educational stratification**

Education is considered an important investment in life chances and the central resource for allowing participation in economic, political, cultural and social life (Fossati 2011, 392). It is widely argued (e.g., Hout and DiPrete 2006) that education as an institution of the welfare state “...*is a primary determinant of social mobility and intergenerational reproduction of social status*” (Peter et al. 2010, 244). Much like the welfare state, also education contributes to stratification in the society. It promotes a social stratification system through educational policy and school structure, both explicitly and implicitly. The education system itself exemplifies an explicit stratificatory structure because it ranks students and awards them credentials according to the achievement criteria established by schools as formal institutions. Seminal studies claim that an educational system implicitly ranks students according to language (see Bernstein 1975) or cultural capital (see Bourdieu

1984), and conditions students to accept and reproduce the existing social order (see e.g., Bowles and Gintis, 1976, and Bourdeau and Passeron, 1977) (Giddens 1998, 413-9). The degree of educational inequality within a country is also influenced by the particular educational policy and education system structures. The most researched aspects of educational structures are stratification, which refers to differentiation, and standardization (see e.g., Muller & Shavit 1998; Kerckhoff 2001).

Other research (Esping-Andersen 2007, Powell 2007, Papapoludorou 2010) argue that a majority of the variation in educational achievement and attainment in most countries is determined by factors external to the education system. The argument is supported by evidence that educational reforms alone seem to have little effect on inequalities of educational outcomes; thus, outcomes are at least partially determined by factors outside of the educational system (Powell 2007, 5). Marks (2006) states that educational inequality seems to reflect more general societal inequalities. Social inequality concerns disparities in the economic, social and cultural resources of families, which translate into disparities in the educational attainments of children from more or less advantaged families (Peter et al., 2010, 242). Thus, inequalities in schooling, and later in life, are powerfully influenced by social origins (Esping-Andersen, 2008, 22). ‘Social origins’ can refer to a variety of factors: socio-economic background; parents’ education; cultural capital; and, immigrant background.

Several studies show that socio-economic background (SES) continues to be a major and a persistent source of educational inequality (OECD, 2009; Nash, 2010; Peter 2010; Powell, 2007; Beblavý et al., 2011; Breen & Jonsson, 2005). Throughout the world, SES is the most robust and consistent predictor of student achievement (Montt, 2011, 50). This means that student test scores are closely associated with students’ socio-economic status; for example, students from high-income families score higher on standardized tests and vice versa (Baird, 2012, 484; Montt, 2011, 50; Beblavý et al., 2011, 5). However, Esping-Andersen attests that children’s cognitive performance is far more powerfully related to the family’s cultural capital than to indications of income (Esping-Andersen, 2006, 403). The familial learning milieu and parents’ time and dedication toward the child are key elements in the creation of educational achievement and attainment (Esping-Andersen, 2008, 27). Factors in the family of the student, such as instability and alcoholism, negatively affect children’s educational attainment (Esping-Andersen, 2006, 401). The quality of parental investment in their children is connected to the ‘cultural capital’ or learning milieu in the

family, which strongly influences children's school success. Cultural capital of a family transmits societal values, or "proper 'middle class'" values, such as self-presentation or language skills, onto the children. Parental stimulation as cultural capital is evidenced in the PISA study as measures of 'culture'. The variable 'number of books in the home' is by far the strongest factor linking the effect of family backgrounds to educational achievement. According to Esping-Andersen, in the PISA data cultural capital overwhelms socio-economic status as a way of explanation for cognitive differences among 15-year olds. (Esping-Andersen, 2008, 28.) He states:

Cognitively and motivationally strong students will profit far more from any given curriculum and teaching than will their weaker counterparts, regardless of what kind of school system prevails or how well-financed it is. (Esping-Andersen, 2006, 402)

The impact of cultural modernization, as indicated by the percentage of university graduates in a country, has been strongly associated with a decreasing level of the socio-economic influence on educational outcomes (Antikainen, 2006, 233). In addition to, and as part of cultural capital, educational resources of parents are vital for children's cognitive development and school achievement (Esping-Andersen, 2006, 402). Parental stimulus is strongly related to their level of education (Esping-Andersen, 2008, 28). In research done by Roscigno (2000) and Kao and Thompson (2003) parental education and family income seemed the best predictors of student performance and eventual educational outcomes (Powell 2007, 8-9). According to OECD (2009) parental education is the most important determinant of student achievement.

Also parental occupational status, household type, migrant status and language are important (Beblavý et al., 2011, 5). Many of these factors also work in combination, polarizing educational outcomes. Immigrants who do not possess high levels of education and also face other cultural, income and educational disadvantages generally lack the cultural capital to help their children's chances (Esping-Andersen, 2008, 28). Characteristics of the social community, such as neighborhood socio-economic factors, race segregation and social networks also matter (Esping-Andersen, 2006, 401).

The impact of social origins on school achievement and attainment is related to educational stratification. *Educational stratification* is described as

educational inheritance and mobility between generations, i.e. the ways in which social and economic advantages and disadvantages are passed on from one generation to the next (Beblavý et al., 2011, 5).

The educational outcome and attainment have relevance to the range of life chances that the individual has, for example, in determining what occupations they enter later in life. When measured in years of schooling and/or type of schooling, education also correlates with an increase of an individual's future earnings. This effect accumulates with the individual's time on the labor market, further widening income gaps. (Beblavý et al., 2011, 5.)

### 3.3 Measuring educational equality

Measuring the impact of social origins or socio-economic background on educational inequality tends to focus two different aspects. It can measure the relationship between social origins, or socio-economic status and educational outcomes, or it can look at how education mediates the relationship between socio-economic status and destinations and socio-economic attainment (Peter et al. 2010, 258-259). Educational achievement is better suited to the study of compulsory primary and lower-secondary education system, i.e., students, most of who have not yet entered occupational tracks in schooling. Therefore this thesis focuses on the relationship between socio-economic status (SES) and educational outcome, although variation is considered. More specifically, the focus is on *equality of opportunities of educational achievement*. Dupriez and Dumay (2006) define equality of opportunities of educational achievement according to the prevalent praxis among sociologists and educationists as

the lack of any statistical association between indicators of students' achievement and indicators of their social origin (Dupriez & Dumay, 2006, 244).

A more multi-dimensional picture of educational inequality and the relationship and links between education policy and social policy within a welfare regimes framework "... will require incorporation of the origins-to-destinations question and how education systems articulate with labour market institutions to condition individual's occupational and socio-economic trajectories..." (Peter et al. 2010, 258-9). Because educational achievement is an important link in the occupational and socio-economic attainment process (Powell, 2007, 12), the origins-to-destinations question is included in this thesis where feasible, especially with regard to integrated (comprehensive) and differentiated (tracking) nature of a school system, vocational specificity and connections to the labor market.

### 3.3.1 Variation in student achievement scores

The overall variation in achievement provides a metric for assessing equality within an educational system (Montt, 2011, 49). The standard deviations of the spread of student achievement scores indicate how far a country displays large differences in performance within and across schools (Beblavý et al., 2011, 10.).

Variation in the student achievement in a country can be studied within- and between schools. *Within-school variation* in student achievement can be considered to be related to individual difference (Peter et al., 2010, 255). Individual difference could relate to the student's ability; IQ; motivation; life situation; and, economic, social and cultural status. A high within-school variance indicates that schools have mixed pupils in terms of academic performance. Mixed ability groups in terms of peer group effects are believed to enhance academic performance, especially for lower ability students. (Beblavý et al., 2011, 10.) Low within-school variance often indicates the existence of tracking.

According to Papapolydorou (2010, 120) "*Between-school variance – when controlled for school intakes – gives evidence regarding the extent of the variance that can be attributed to schools.*" Thus, *between-school variation* in student achievement relates to factors residing in the school: the quality of teachers, academic rigor or curriculum used in the school. The note – *when controlled for school intakes* – means that when academic achievement between the schools is compared, there is not anything in the student bodies that would already put them on unequal footing, such as abnormal IQ differences or very different socio-economic backgrounds. Between-school variance indicates how far a country displays differences in performance within and across schools. A high between-school variance may also indicate that pupils of different ability are to a large extent streamed into different schools. (Beblavý et al., 2011, 10.)

### 3.3.2 Steepness of the socio-economic gradient

Peter et al. (2010, 248) explain *socio-economic gradient* as follows: "*The term gradient is used to refer to the relationship between a schooling outcome (which is usually academic achievement) and SES.*" The socio-economic gradient measures how far the socio-economic backgrounds of students influence individual academic achievement. Differences in the impact of SES on students' achievement, i.e., the relationship between student

performance and of economic, social and cultural status, is an indication of the degree of socio-economic segregation or equitable distribution of educational opportunities within a nation's education system (Peter et al. 2010, 251; West & Nikolai, 2013, 478; OECD 2010b, 30). If the gradient in a country is steep, there are large disparities between advantaged and more disadvantaged students, whereas a shallow gradient indicates greater equality of student outcomes (Peter et al., 2010, 248).

The analysis of the socio-economic gradient in a country can also be studied within and between schools. *Within-school gradients* represent the degree to which students' achievement is related to within school variation in SES. *Between-school socio-economic gradient* tells us "*the extent to which achievement is related to variation in average SES across schools*". This concerns differences in academic achievements between schools that have varying socio-economic compositions. (Peter et al., 2010, 245; 254.)

### **3.4 Educational policy and educational equality**

Some factors within countries' educational policies distinguish their educational outcomes and either hinder or assist in the creation of educational equality. Research usually considers educational spending, school autonomy and school choice, public vs. private education, and, time spent in schools or school-like activities, including pre-primary education. These factors are discussed next.

#### ***Educational spending***

In comparative welfare state research public expenditure is often a key dimension and the frequently preferred dependent variable in quantitative analyses. It relates to the actions of government and can be seen as an indicator of the priority governments ascribe to its various policy arenas. (West & Nikolai, 2013, 472.) Public spending on education relative to social expenditure can be seen as an indicator of the importance attached to education as opposed to social policy programs. (West & Nikolai 2013, 479). Hega & Hokemaier (2002) argue that there exists a trade-off between investment in education and investment in social security in welfare state spending.

#### ***School autonomy, school choice and public vs. private educational institutions***

Greater school autonomy and a larger private sector allow for greater variability in the outcomes of the educational system. Some argue that a larger private sector may foster equali-



ty by allowing schools to be more flexible. In this sense, more autonomy and control over hiring decisions, curriculum, and budget could allow the private sector schools more flexibility to meet the needs of low-achieving students in their local context. (Montt 2011, 52.) However, studies conclude that school autonomy increases the impact of social origins (Van de Werfhorst & Mijs, 2010, 419).

School choice refers to the parents' ability to choose between schools that are public or private, or differ by curriculum, location, or reputation, rather than the children being sent to the nearest schools. The supporting arguments for forms of school choice and private schooling often claim that they improve the quality, cost-efficiency and responsiveness of schools, as they allow for parental choice and competition between public and private educational institutions. School choice also increases social segregation. It facilitates a process in which well-educated social groups transfer their children to schools where students have at least comparable social backgrounds and thus, these groups are separated in certain schools and districts from weaker students from more vulnerable families. (Baggesen Klitgaard 2007, 449). Private schools are likely to contribute to segregation and educational inequality through selectivity or tuition fees (West & Nikolai, 2013, 477). In addition, parents' decisions about the choice of school for their children can affect the funding of the popular and more esteemed, and the less popular schools (West & Nikolai, 2013, 482).

While the welfare state regimes have a public school system, most of them also allow and often finance private educational provision, i.e., the opportunity to buy market-based educational services. Private schools are educational institutions which are run and administered by non-governmental institutions, such as a church, a private profit- or non-profit-seeking organization. They may be wholly or partly government funded, e.g., through the issuing of school vouchers, or rely on other means of funding. The proportion of the private education in a country represents a mix of state and market under the provision of the publicly financed welfare service of education (Baggesen Klitgaard 2007, 446). Private expenditure on education as a percentage of GDP and the proportion of pupils enrolled in government dependent and independent private institutions reflect countries' preferences for non-state-centered and more market-oriented solutions in school-based education (West & Nikolai 2013, 472, 478-9). The development of a market-oriented approach is often associated with the political rise of conservatism and neo-liberalism (Baggesen Klitgaard 2007, 453).

### *Early childhood education*

Early childhood education is considered by many to be one of the most impactful factors influencing the school performance even before school starts, because inequalities are in large part already established prior to school age. Good quality and affordable daycare and early childhood education can help children start school on a more equal footing. It mitigates the impact of family social, economic and cultural capital background at a time when children's cognitive abilities are most intensively developed. (Esping-Andersen, 2006.) In this light, if educational policy does not consider early childhood education, it may only be able to insure that the school system does not reproduce or exacerbate the inequalities students come to school with.

It has been shown that the effects of social origins can be reduced by measures, especially in the early stages of childhood (Esping-Andersen, 2008, 22). Access to pre-school education and high levels of pre-school enrolment are associated with higher levels of educational achievement, especially for disadvantaged children (Beblavý et al. 2011, 6; West and Nikolai, 2013, 476-7). Returns to early childhood investments, such as pre-school, are exponentially higher the younger the age group they are targeted to (Esping-Andersen, 2008, 22).

### *Immigration effect*

Immigrant children systematically perform worse on virtually all dimensions of skill acquisition than natives in most countries (Esping-Andersen, 2008; Fossati 2011). Native students are more advantaged in terms of their general educational attainment than immigrant students, because they tend to belong to a family with higher socio-economic status, higher cultural capital and have native abilities in the official test language. First generation immigrant students perform worse than second generation students. However, the latter still do not perform at the same level than their native peers. (Fossati, 2011, 406-7.) Differentiated education systems tend to magnify the effects of socio-economic background between immigrant students and students from more privileged backgrounds (Van de Werfhorst & Mijs, 2010, 419).

#### 3.4.1 Structures of education systems

Research on education systems typically concentrates on stratification and standardization (Willemsse & de Beer 2012, 108; West & Nikolai, 2013, 472-473.) Kerckhoff (2001) de-

scribes four dimensions that contribute to social stratification in educational systems: standardization, stratification, vocational specificity and student choice. He states that:

Combinations of these dimensions are thought to determine the educational systems' "capacity to structure" the flow of young people out of educational institutions and into adult strata that are defined by occupational positions (Kerckhoff, 2001, 4).

The framework can also be used to evaluate the extent to which different education systems work to condition individuals' occupational and socio-economic trajectories.

### ***Standardization***

According to Kerckhoff (2001, 5) standardization refers to “*the degree to which the quality of education meets the same standards nationwide*”. The degree of standardization concerns national or centralized educational standards, e.g., for budgets, teacher training, curricula, examinations or qualifications for graduation (Kerckhoff, 2001, 5).

The curricular organization of school systems can produce variations in opportunities to learn and increased inequality in achievement when students are exposed to different instructional content. This is likely to occur in school systems which do not have a standardized curriculum to ensure greater equality in the content and coverage of material across schools and classrooms. Also, standards-based examinations which measure achievement relative to an external standard, not relative to other students in the class or school, have been shown to decrease inequality. (West & Nikolai, 2013, 477.) Differences in opportunities to learn, as related to teacher attributes, and to a lesser extent school resources and class size, induce variation in student achievement growth even among students who exhibit similar effort and ability. The overall teacher quality of the schooling system is a dimension that is likely to affect achievement inequality. Qualified teachers know how to adapt curricular material, subject knowledge, and pedagogical techniques to the needs of their students, providing an enhanced schooling experience for all students and especially for students from disadvantaged backgrounds. (Montt, 2011, 51-3.) The overall level of teacher qualifications may set countries apart in terms of educational equality.

Willemse and de Beer (2012) relate standardization to the variation in the quality of schools and link it to the centralization of education in a country. They distinguish three levels of standardization of educational policy: low standardization results in a large amount of autonomy for institutions in deciding on budgets, examinations and curricula; intermediate standardization means decisions are made at a regional governmental level;

and, the highest level of standardization occurs when the national government determines the budgets, curricula and examinations for the educational institutions in the country. They argue that the less standardized the education system in a country is, the more varied results it is likely to produce. (Willemse & de Beer 2012, 108.) Research has shown that a higher level of standardization increases average performance in a country (Van de Werfhorst & Mijs, 2010, 419; 421).

### ***Stratification, differentiation***

The term stratification in educational research refers to the degree to which systems have clearly differentiated kinds of schools and curricula. In general, stratification in the educational setting is referred to as *differentiation* in order to avoid confusion with the sociological use of the term. It is usually used in conjunction with academically and vocationally specialized secondary schools, which are associated with different educational and occupational life chances. (Kerckhoff, 2001, 4.) However, it also exists in compulsory schooling.

Tracking is a form of differentiation. There is some confusion concerning this term as. In Europe, and for the purposes of this thesis, tracking refers to selecting students on the basis of their academic performance into different types of schools that differ in terms of the curriculum and academic rigor they offer. (West & Nikolai, 2013, 477.) In the USA tracking, or curriculum tracking, refers to the different kinds of courses with regards to curriculum and academic ability required for participation *within a school*. Curriculum tracking is also known as streaming, as it is generally referred to in Australia and UK. (Marks, 2006, 38.)

The level of differentiation in a country's educational system is an important factor in determining the impact that family background and school structures have on students' educational achievement (Powell 2007). Comprehensive school systems produce a more even distribution of achievement across students (Montt 2011, 63; Van de Werfhorst & Mijs, 2010, 416; 421). Students in comprehensive schools perform, on average, better than those in systems that track, and their educational performance is less dependent on their family background (Montt 2011; Powell 2007). Between-school tracking is associated with greater educational inequality. Differentiated or binary education systems with tracking and early decision points are more likely than unified or comprehensive systems to perpetuate social and educational inequality. (Peter et al., 2010, 243.) Montt (2011, 60) found that "*each additional educational program available for 15 year-old students is related to a 3.0*

*percent increase in achievement inequality. Shifting selection into these programs earlier in the course of a student's schooling increases the variance in achievement by an additional 2.4 percent per Year.*” Also, inequalities between students from different social groups are magnified by tracking. The earlier the tracking starts, the more it restricts inter-generational mobility because parents tend to reflect their own socio-economic circumstances in their choices for education of their children. Allmendinger (1989, in West & Nikolai, 2013, 473) found that the subsequent occupational status is strongly determined by educational attainment, as in years of schooling, for students educated in a stratified system and that this relationship is weaker in unstratified systems. Comprehensive school reforms which have postponed the earliest academic decision points have increased inequality of educational opportunity (West & Nikolai, 2013, 474; Peter et al. 2010, 255-8; Breen & Jonsson, 2005, 228).

Furthermore, while there is some gain for high-ability students, evidence with regards to efficiency in learning shows that differentiation in education systems leads to lower, rather than higher, average achievement in subjects (Van de Werfhorst & Mijs, 2010, 417; 421).

### ***Vocational specificity and student choice***

Vocational specificity refers to “*the degree to which a system focuses on general or specific knowledge and skill attainment to prepare for a particular vocation.*” (Willemsse & de Beer 2012, 108.) Kerckhoff recognizes the importance of student choice with regard to differentiation and vocational specificity. Student choice refers to the degree to which the students, or their parents, are able to choose among alternative paths to educational attainment (Kerckhoff, 2001, 7). If the education system chooses the path for the student according to external criteria, student choice is limited.

The more differentiated and specified the compulsory education system is, the more structural locations of differentiation or tracking students pass and the less flexibility to choose and to change direction there is (Kerckhoff, 2001, 9). This kind of a system is efficient it is in its capacity to structure the flow of students into either progressively more academic or occupation-specific higher educational institutions, thus stratifying student life trajectories earlier and with more precision. However, while school systems with strong vocational tracks, especially with early selection, have fewer opportunities to access tertiary education, and thus, less equality of educational opportunity, they clearly help young people’s transition from education to the job market (Van de Werfhorst & Mijs, 2010, 411).

### 3.4.2 Socio-economic gradient and the school

School and family socio-economic factors also work in combination to produce further explicit and implicit effects. Schools are social institutions that can either reduce or exacerbate the effect of family background on achievement depending on the way schools are structured within a country. (Powell 2007, 6.) Powell (2007) found that:

Not only does the educational, occupational, and economic characteristics of one's family have a direct impact on how well one does in achievement tests, but it can also have an indirect effect through the school one attends. The structure of a country's educational system – particularly the variation in school quality and the process of students assignment to schools – can impact the relationship between family background and achievement scores and serve as a source of inequality in educational achievement. (Powell 2007, iv.)

Research shows that student body composition is one of the strongest predictors of between-school differences in achievement (Montt 2011, 84). Jakku-Sihvonen and Kuusela (2012) state:

In almost all countries, and for all students [...]there is a] clear advantage in attending a school whose students are, on average, from more advantaged socio-economic backgrounds. Regardless of their own socio-economic background, students attending schools in which the average socio-economic background is high tend to perform better than when they are enrolled in a school with a below-average socio-economic intake. In the majority of OECD countries the effect of the average economic, social and cultural status of students in a school – in terms of performance variation across students – far outweighs the effects of the individual student's socio-economic background. (Jakku-Sihvonen & Kuusela, 2012, 39.)

Thus, the socio-economic composition of a school's student body has the largest, most consistent effect of all school variables and is the strongest predictor of student performance or achievement in many countries. When the academic achievement of a school is tied to the socio-economic composition of its constituents, it will likely maintain or increase the inequality of achievement that is related to its students' family backgrounds. However, if the achievement between schools in a country is relatively even regardless of the socio-economic composition of their students, then the schools may have the effect of decreasing the connection between family background and academic achievement. (Powell 2007, v.) Fossati concludes that

... in countries where there are schools with a much higher average socio-economic background, there probably will also be some with much lower average backgrounds, leading to a strong stratification, which is not advantageous for poorly performing students because it carries the risk of segregation. (Fossati, 2011, 407)

Tracking, segregation of schools by neighborhood, school choice and private educational institutions can work to separate students by their economic, social and cultural status and

background into schools with different socio-economic compositions, thereby affecting their educational opportunity.

## 4 METHODOLOGY

Esping-Andersen's (1990) **THREE WORLDS OF WELFARE CAPITALISM** welfare state typology provides the starting point for a comparative analysis of educational equality in the welfare states. It has recently been used in conjunction with research on educational equality with the argument that particular welfare policy configurations are associated with particular tendencies in education policy and that educational inequality across nations will cluster by welfare regime grouping (Peter, 2010, 245). I will investigate this argument and then relate the results to some of the prominent factors that affect educational equality emerging from the current comparative literature. As stated before, the questions motivating his thesis are:

**Can countries be grouped according to their educational equality along the same lines as typologies of welfare state regimes? Are educational regimes discernable? And, if so, how do they relate to the logic of the welfare state typologies regarding equal opportunity in the institution of education?**

In postpositivist tradition, the interpretative framework of this thesis is reductionist and empirical, and thus, looks for the cause and the effect, between welfare state regimes educational institutions and educational equality. However this thesis "*recognizes that all cause and effect is a probability that may or may not occur*" (Creswell 2007, 22); thus, the findings are not linear but subject to interpretation and situatedness in time and space. They are also reflective of the 'powers that be', i.e., the power-relations in a society. In critical theory, truth, as Hegel saw it, is transitory and incomplete - but not an illusion -, and each truth can be replaced by a subsequent one. (Jessop, 2012, 7-8).

The methods used in this thesis are comparative. Bray, Adamson & Mason (2014, 55) state that "*Comparative education is in a sense a second-level comparison which relies on units which have already been identified through comparison.*" Comparative analysis at the macro level contributes to a broad, general framework of educational patterns and enables the identification of elements which converge and diverge despite common and overarching frameworks (Bray et al., 2014, 129; 157-8). In quantitative research, a country often constitutes one unit in the analytical framework, which is then grouped with the other countries with similar outcomes (Bray et al., 2014, 276). Classifications group countries into "*distinct categories with identifiable and shared characteristics*". The categories help



to simplify the complexity of many-country comparisons, but are not without their shortcomings. (Landman, 2008, 5-8.)

The central theoretical framework and classification of countries used in this thesis is Esping-Andersen's seminal explanation of welfare policy development, **THE THREE WORLDS OF WELFARE CAPITALISM** (1990). It is a political power resources theory, based on frameworks of historical institutionalization and politics within countries, and thus emphasizes political values, ideologies, struggles, and actors. It illustrates how a diverse range of social policies categorize advanced welfare states into liberal, social democratic and conservative regimes. The countries included in his study are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States (Esping-Andersen 1990). The Esping-Andersen typology serves both as a conceptual framework and a way to organize the data and criticism for analysis. It also delimits the countries and regimes under study to those used in the Esping-Andersen classification. I have further limited the selection of the countries included in the typology to Western nations, thereby leaving out Japan, due to the criticism of its placement as a conservative country. However, some observations about Japan, other countries and regimes are made as they appear in the different literature and data.

In terms of educational equality, I have selected the factors which have been given most emphasis in studies of educational institutions as affecting educational equality. These have been categorized under educational policy and educational structures and explained in the previous chapter. I also included an explanation of how educational equality is measured.

The data collected is empirical and comparative, through the use of *a priori* comparative cross-national quantitative research on educational institutions. Cross-national quantitative comparison studies seek generalizable explanations across contexts or attempt to identify relations of association and causation through statistical models and techniques. Theoretical concepts are operationalized as variables which the researchers measure. For a comparative research to be valid and meaningful, certain variables need to be kept constant and have sufficient similarities which are educationally relevant. (Bray et al., 2014, 127-8.) The material for this thesis includes studies which measure various variables, some of which all share the same variable (typically all studies include tracking in the study of educational

structures) and some of which differ (inclusion of expenditure, time spent in school-like activities and early childhood education). The data and variables of the referred studies are discussed in appropriate chapters of this thesis for transparency. The method used in the literature is typically cluster analysis. A thorough explanation of this method can be found in the research papers referred in this thesis.

Despite using different variables, with the exception of one study, the findings generally confirm the existence of three or four groupings of 'educational regimes'. The findings on the stratificatory nature of certain school systems are also corroborated by educational comparative research which did not have a welfare state framework. These findings can be considered an indication of reliability of the research used.

The different levels of student achievement and educational inequality in country comparison reflect similarities and differences in the education and welfare systems that produce the varying results. Montt (2011, 63) states that: "*The comparison of the effects of schooling variables on achievement inequality and the observed distribution of achievement inequality illustrates the importance of socioeconomic diversity in shaping total achievement inequality.*" Standard deviations of the spread of student achievement scores and steepness of the socioeconomic gradient are used to measure the levels of educational inequality in a country. The existing empirical cross-national studies within the welfare state perspective are still few. Most research papers use international data projects, such as the Program for International Student Assessment (PISA), the Progress in International Reading Literacy Study (PIRLS), and the Trends in International Mathematics and Science Study (TIMSS). They have produced a rich body of research on international variation in average student performance, in the dispersion in performance, and in the influence of social origin and race/ethnicity on school performance (Van de Werfhorst & Mijs, 2010, 408). Most of the studies focus on PISA.

PISA is an international test administered triennially that measures student performance at the age of fifteen with a focus on one subject (math, science or reading) in each year of assessment (OECD, 2014.) In addition to academic achievement, PISA also collects information about the student and school backgrounds based on three variables related to family background: highest level of parental education, highest parental occupation status and an index of home possessions (Peter et al. 2010, 251). PISA has been widely criticized on various aspects. First criticism centers on the fact that it is not longitudinal and thus limited

in its ability to establish causality. There are also concerns about the cultural equivalence of test items and the statistical models as unidimensional and underestimating the complexity of cross-country differences. (Peter et al., 2010, 258.) Finally, it is also said to lack methodological insights such as qualitative judgements that emphasize context and history (Bray et al., 2014, 37). Despite criticism, Peter et al. (2010, 248) argue that the PISA test is one of the most comprehensive datasets available on student achievement variation and student background characteristics that are “...*directly relevant to the examination of educational inequality*.” In 2012, 510 000 students in 65 countries participated in the exam (OECD, 2014).

In the discussion section hermeneutic-critical analysis is applied to the theory and empirical findings. Critical theory aims to achieve emancipation through a process that combines theory and practice to provide analysis and critique of society leading to a desire for social change. Horkheimer (1937, in Jessop, 2012, 9) called for a continued theoretical effort “*to shed critical light on present-day society and to interpret it in the light of traditional theories elaborated in the special sciences... [in] the hope of radically improving human existence*.”

The connection between the welfare state and education is very much like a hermeneutic circle: “*our understanding of the parts hinges on our understanding of a larger whole, which, again, can only be understood on the basis of the parts*.” (Ramberg & Gjesdal, 2005). Both of the concepts under study are essentially value-laden and normative by nature; thus, the connection should not be studied without acknowledging a larger historical, cultural, sociological and ideological framework. Hermeneutic-critical pedagogics combine the life-philosophic perspective of classical humanistic pedagogics with critical social theory and empirical-analytical approaches that work dialectically. The historical-hermeneutic perspective presupposes that the pedagogic reality is an entity of a web of complicated relationships of constructed meanings. Empirical research can verify assumptions of the pedagogical reality. As with texts, that reality can be interpreted and re-interpreted, and similarly its parts can only be understood in relation to the whole, and vice versa. Thus, its analysis requires an analysis of the historical, political and social context as well. (Siljander, 1988, 186-192.) The ideology-critical perspective presupposes that all human interaction and thought is determined by and through societal-political relationships and interests, and power and dependency relationships. These relationships project onto human consciousness, and can produce ideologies that maintain distorted views of reality.

(Siljander, 1988, 194-196). The **THREE WORLDS OF WELFARE CAPITALISM** (1990) emphasizes political values, ideologies, struggles, and actors in the development of the welfare state and its institutions.

Hermeneutic-critical pedagogics has a productive hermeneutic function: it interprets facts from empirical research to explain and interpret existing socio-historical relationships of meanings and consequently changing them and creating new ones. (Siljander, 1988, 186-198.) In the spirit of Habermas (1971, in Bray et al., 2014, 252), this thesis also has the critical aim to expose ideologically frozen relations of dependence that can in principle be transformed. I hope to be able to expose and describe how different regimes of welfare states and their underlying ideologies affect the level of educational equality in their educational systems.

Critical study of educational equality is important because education today follows the more general trend of polarization between the better- and worse-off in society. While average levels of achievement are increasing and more students gain higher academic credentials, we are witnessing increasing differentiation of education systems according to social class and in the credentials gained. (Nash, 2010, 1-2.) Several studies find that some governments are more successful than others in reducing educational stratification (Beblavý et al. 2011, 5). Some nation-states appear to be more intolerant of inequalities than others (Peter et al., 2010, 257). According to Peter, Edgerton, & Roberts (2010, 247-8), assessing similarities and differences between welfare state regimes in how they organize their society and education in terms of equality “... *can help to distinguish the assumptions underlying particular social policy contexts and to identify potential alternatives*”. The findings in this thesis should benefit instances involved in social and educational policy.

Finally, the critical perspective intends to control validity by the researcher reporting the actions that have led up to their findings and stating their biases, both with regard to their cultural and historical situatedness. Via this account the validity consideration rests on the research consumer. (Lewis, 2009.) My situatedness in time and space in a social democratic country has influenced what I consider to be the definition and purpose of the welfare state and educational institutions: promoting social justice. Some analyses provoke an emotional response. With regards to Sweden's decline in the educational charts, OECD analyzes that:

From an economic perspective, the relatively small difference in earnings between adults with a tertiary education and those with an upper secondary or post-secondary nontertiary education and the safety net provided by the welfare state may not provide sufficient incentive for learning and working hard. The evidence also suggests that importance placed on equality in Swedish society may have had the unintended effect of not challenging all students sufficiently. Parents would seem to play a role in this by over-protecting and nurturing them too much and insufficiently challenging them as they grow up. (OECD, 2015, 36-7.)

The suggestion that a reduction in social inequality is related to a decline in educational achievement appears to reflect neo-liberal values. However, in order to combat any bias, there has been a systematic effort on my part to maintain the scientific integrity in this research by making explicit the criticism on the theoretical frameworks, the quantitative validity and reliability of the research and data used, as well as a critical view of the material available.

## 5 Educational equality and welfare state regimes

The existing studies seem to agree on the idea of clustering of welfare states into recognizable regimes, models or clusters based on their educational outcomes and/or levels of educational equality. These studies are introduced next, in sections concentrating on aspects in educational policy and then in structures of the education systems .

### 5.1 Educational policy and Welfare state regimes

Particular welfare policy configurations are typically associated with particular tendencies in education policy. Hega and Hokemaier (2002, 151) state: “*The specific nature of a state's social insurance provisions, along with the educational entitlements and opportunities offered, reflects a particular policy profile.*” Peter, Edgerton, & Roberts (2010, 243) also point out that “*There is a notable correspondence between the profile of a country's package of social security programs and its education policy.*” This correspondence is studied below.

#### 5.1.1 Educational funding, the “trade-off” profiles

Hega and Hokenmaier (2002) studied the relationship between spending on education and social insurance in 18 OECD countries during 1960-1990. They find distinct ‘trade-off’ profiles, which have different emphasis on government spending for education and social insurance programs in the creation of equality of opportunities and condition, which cluster by the welfare regime types according to Esping-Andersen.

Countries in the conservative welfare state regime have the highest spending on social insurance as a percentage of total public spending and, conversely, spend the least on education in comparison to the liberal and social-democratic regimes (Hega & Hokemaier 2002, 160-1). The conservative states emphasize social security programs, and especially in Germany, education seems to take place in ‘*a universe quite distant from social policy*’ (Peter et al., 2010, 244; West & Nikolai, 2013, 470). Despite the high level of social expenditure in conservative countries, the money is ear-marked status-specifically, and thus the impact of redistribution is negligible (Esping-Andersen, 1990, 27; Peter et al. 2010, 247; Beblavý et al., 2011, 2). Liberal welfare states lag behind in all measures of social

insurance spending, but rank ahead of the conservative in all categories of educational spending (Hega & Hokemaier 2002, 160-161). Within social insurance, the minimal and means-tested income security provisions encourage self-reliance and do not serve “... *to insulate the individual from every risk of life, societal competition, and market forces.*” (Hega & Hokemaier 2002, 146). Instead liberal states place greater emphasis on education as an alternative form of social protection (Peter et al., 2010, 244). In the American notion of welfare, public education represents an alternative to other social insurance guarantees by the state. Education is the individual's protection against life's uncertainties, and promotes both personal betterment and national, social and economic development (Hega & Hokemaier 2002, 146). The social-democratic states seem to divide their spending equally between the two and seem to emphasize both education and social security as key to social welfare (Peter et al., 2010, 244). They also spend most in both social insurance and educational commitments as measured in real dollars per capita (Hega & Hokemaier, 2002, 160-1).

Similarly to the state social welfare spending expenditures, as pointed out by Esping-Andersen, where and how the money spent is more of an essential question than how much is spent. Differences between the welfare states are found in the emphases of the educational spending, especially in the secondary level and higher education. Social-democratic nations tend to invest more in higher education, offering it without tuition fees. The liberal welfare states give more emphasis to general secondary education, and the conservative states to extensive vocational education programs. (West & Nikolai, 2013, 475.) Liberal states rely on the “*general education curricula at the post-primary level to provide the individual with the necessary human capital to succeed in the labour market, thereby minimising future expenditure on social programmes.*” (Beblavý et al., 2011, 8). The focus on general education distinguishes the liberal regime from the conservative and the social democratic states which offer vocational curriculum at the secondary level. In line with the hierarchical nature of their conservative welfare regime, Germany and Austria, with their ‘dual systems’ of vocational education, have the highest enrollments and spending for vocational education (Hega & Hokemaier 2002, 161). This emphasis on effective allocation of students into different vocational destinations is already visible at the primary level in these countries via the implementation of early tracking.

Hega and Hokenmaier (2002, 167-8) conclude that welfare states with similar social insurance policies cluster according to the similarity of their educational policies:

... the education systems of the kinds of welfare regimes described by Esping-Andersen demonstrate different educational strategies and objectives. The education systems of liberal, conservative and social democratic welfare nations do not provide the same educational opportunities, the same gateway to socioeconomic opportunity. ... The data concerning secondary enrollments in vocational training and general education, combined with patterns of spending for education and social insurance, offers evidence of the different socioeconomic "intentions" for the educational systems of liberal, conservative and social democratic welfare states.

The effects of the different gateways to socio-economic opportunity become evident in the school-to-work transitions and occupational destinations of graduates from different systems.

### 5.1.2 Connections to labor market, school-to-work transitions

Murray and Polesel (2013) sought to establish links between comparative research on transition systems and the literature on welfare state regimes and varieties of capitalism, and conducted a comparative analysis of two countries, Australia and Denmark, with brief remarks on Germany.

Murray and Polesel (2013) argue that Denmark presents an example of a neo-corporatist and coordinated social-democratic market economy, with strong relationships between government, education and training system, employers, and other interest groups, such as trade unions and industry bodies. After the age of 16 about 60 % of students enter the university-oriented system of Gymnasium, while about 20%-30 % of young people enter vocational education and training, which is an apprenticeship-based system. (Murray & Polesel 2013, 238.) A similar 'dual system' approach with apprenticeship-based vocational training exists in the conservative and traditionally corporatist Germany, where more than half the cohort enters the training. In Germany, however, tracking starts at age 11 or 12 depending on the State. Both the Danish and the German system deliver training and qualifications which are highly valued by employers and in turn create effective transitions to work. (Murray & Polesel 2013, 239.) However, as opposed to Germany, in Denmark the existence of the apprenticeship pathway does not seem to negatively impact on equity in terms of socio-economic status and or on young people's aspirations for higher education. Bosch and Charest (2008, in Murray & Polesel 2013, 239) have argued that a more comprehensive approach to education, which defers the age of tracking until 16, has contributed to more equality.



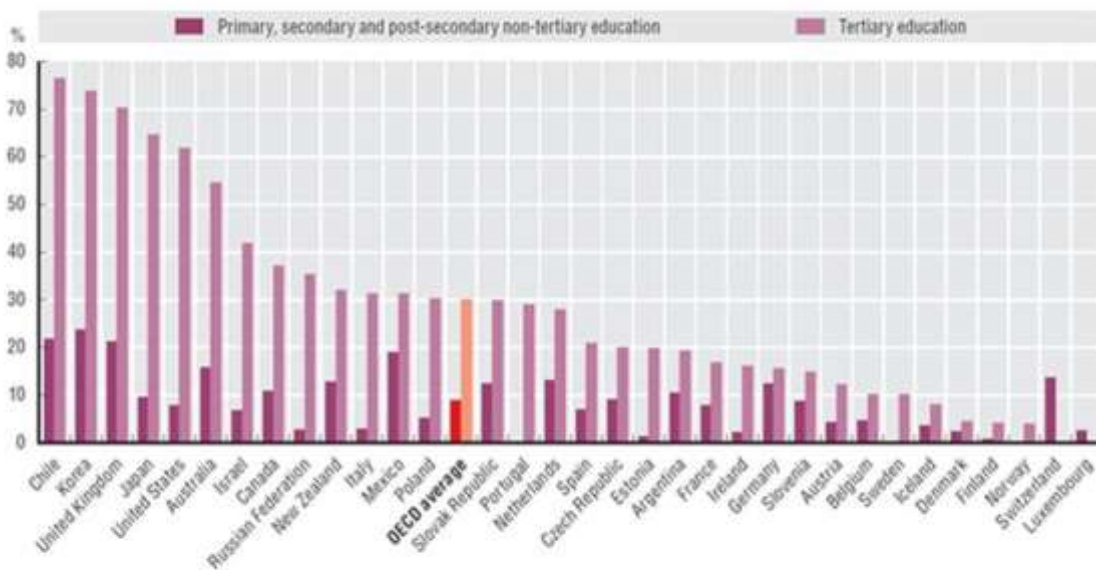
Australia presents an example of a liberal market economy, with relatively weak relationships between the education and training system, employers, trade unions and other industry bodies. Its training systems are oriented towards general skills and apprenticeships sit mainly outside the school-based system. This results in qualifications that are poorly regarded by employers and lead largely to low-skill, low-wage occupations. While the comprehensive system, with no apparent tracking, offers more flexibility, there exists an informal hierarchy which determines entry into higher education and is strongly associated with social selection at that juncture. (Murray & Polesel 2013, 242-3.)

Pechar and Andres' (2011, in Beblavý et al. 2011, 2) research shows liberal states, which create less social stratification than conservative regimes regarding educational participation and post-primary completion rates, actually exhibit more inequality with respect to social indicators, such as income distribution of a country, or housing patterns. Graduates of the conservative dual system have better labor market opportunities and enjoy a higher social status than the young in liberal welfare regimes who are not higher education graduates (West & Nikolai, 2013, 482). Each of the countries represented characteristics in their respective regimes, and the different foci on tracking and vocational of the welfare states produce transitions from education to the labor market that differ, and matter, in the creation of equality opportunity, educational attainment and occupational destinations.

### 5.1.3 School autonomy, school choice and public/private education

School systems vary in the magnitude of the private sector and their allowance of school autonomy (Montt, 2011, 52). With regard to government choices in educational spending and the school system, the Table 1: *Share of private expenditure on educational institutions, 2009*, by OECD, shows the percentage of spending on educational institutions that comes from private funding, by level of education. It reflects different countries preferences for private expenditure on education and market-oriented solutions in education.

This figure shows the percentage of spending on educational institutions that comes from private funding, by level of education.



Source: OECD (2012), *Education at a Glance 2012*, Tables B3.2a and B3.2b, available at: <http://dx.doi.org/10.1787/888932666209> and <http://dx.doi.org/10.1787/888932666228>.

Taulukko 1. Share of private expenditure on educational institutions, 2009 (OECD, 2012).

The liberal states, the UK, Canada, the US, Australia, and New Zealand, and Switzerland, lead with the share of private expenditure on educational institutions in relation to other Western nations at the primary, secondary and post-secondary non-tertiary education indicator. Especially in England, the introduction of a quasi-market in education has been influential, and it also has a high proportion of government-dependent private schools (West & Nikolai, 2013, 484). However, Ireland's private expenditure is noticeably low. Following the liberal countries, are the conservative countries, such as the Netherlands and Germany, with the share of private expenditure almost non-existent in the social-democratic Scandinavian countries.

Baggesen Klitgaard (2007) studied the US, Germany and Sweden as the three representatives of their welfare regimes in terms of their approach to private education in the form of introducing school vouchers and parental choice to national school systems during 1980–2000. He found a clear lack of correlation between adoption of the school-choice policy and welfare state regimes, except in the conservative state of Germany. However, the school choice reforms in all three countries are in accordance with Esping-Andersen's regime typology in terms of how social policy has been organized and expanded in the **THREE WORLDS OF WELFARE CAPITALISM**. (Baggesen Klitgaard, 2007, 444; 463.) The

study reveals issues discerning these states' approaches to the level of government interference in private educational institutions, allowance of school autonomy and the proportion of pupils enrolled in private institutions.

### *Sweden*

Although the comprehensive Swedish school system had practically been a state monopoly since its inception, after a long political debate about welfare state organization continuing from 1980s to 1990s, the Swedish parties answered the call for deregulation and decentralization of government social institutions in the education sector. Reforms decentralized control of public schools to the municipalities, allocated financial resources in an unspecified block grant for schools and educational purposes, and introduced freedom of choice in public and private schools through the use of a universal public voucher. (Baggesen Klitgaard, 2007, 457.) In 1996 it was mandated that private schools should be granted public funding corresponding to the cost per pupil in public schools, and that private schools were not allowed to charge an additional fee from students.

The number of private schools increased from 166 in 1993 to 488 in 2002, and the share of private school enrolment increased to 4 percent. (Baggesen Klitgaard, 2007, 458.) The Economist (2008) reported that level of private education in 2008 was more than 10%. Increased school choice in Sweden has raised concerns about segregation between pupil backgrounds. Skolverket (2006, in West & Nikolai, 2013, 481) reports that

independent schools, compared with municipality schools, have a larger proportion of girls, a larger proportion of pupils with parents who have continued with education following upper secondary school and a larger proportion of pupils with a foreign background.

The decision to open the educational sector to private institutions is not in line with the traditional social-democratic principles of universal and comprehensive systems. During the reform, shifting governments also broke with the traditional corporatist and consensus-oriented political styles, by leaving, on several occasions, teacher unions and other organized interests out of the negotiations. (Baggesen Klitgaard 2007, 457.)

### *The USA*

In the United States, the federal government has limited tasks with regard to the education system. These include gathering information; promoting research, innovation and funding; and monitoring effectiveness. Instead, the states are in charge of the governing of their public schools and education policies according to the Constitution. (Baggesen Klitgaard

2007, 453.) Private expenditure on education is higher in comparison to Sweden and Germany (OECD 2012, Chart 1).

The debate concerning the education system in the US has focused on issues of improving academic performance, racial segregation in schools and districts, educational equity for disadvantaged groups, and improving efficiency and economic effectiveness of existing institutions. School choice is often regarded as an answer to these problems. Several options have been introduced: public vouchers equivalent of a certain level of money that can be used to cover tuition in a school of choice, whether public or private, regardless of school zones; charter schools, which are public schools that enjoy a greater autonomy from regulations than traditional schools; magnet schools, which offer specialized curricula within the public schooling; and, tuition tax credits which reduce the price of private education, and allow families to subtract a predetermined amount of private educational expenses from their tax liability. (Baggesen Klitgaard 2007, 454-5.) Out of these options, only charter schools have been moderately popular. Attempts to establish a nation-wide voucher schemes have been rejected, and where they have been implemented, have often only been targeted towards vulnerable social groups. (Baggesen Klitgaard 2007, 461.)

### *Germany*

The German school system has remained intact for generations. With the reunification of East and West Germany, many aspects of the West German school system were essentially restored in the new federal states of the former East Germany, with no reformation. There has been no experimentation with school vouchers or other forms of market-oriented choice models. As in most other conservative welfare states, private schools in Germany are mostly dominated by religiously affiliated institutions. Rather than the membership of a particular religion, parents' perception of the orientation of church schools to traditional values seems of greater relevance for the choice of a denominational school. In educational policy formulation, these institutions are often given a degree of control and are resistant to change the system, or have "*strong incentives to avoid the permanent revolution of market forces*". (Baggesen Klitgaard, 2007, 452; 460.) The level of private schooling in Germany lies between the levels in the United States and Sweden.

Baggesen Klitgaard found that only the German school system displayed a stereotypical regime attitude. The conservative regime tends to reward status and wishes to maintain the social order by maintaining the status quo of its stratified education system, and the role of

church in education. The USA and Sweden did not conform to the welfare regime logic, but, in fact, exhibited uncharacteristic approaches in introducing choice and school vouchers into national systems of primary education. Sweden “*transformed one of the most centrally planned school systems in the OECD area into one of the most liberal in terms of school choice opportunities*”, whereas “*liberal welfare state of the United States has on several occasions rejected the establishment of a nationwide voucher scheme.*” (Baggesen Klitgaard, 2007, 452.) However, in terms of traditional regime descriptions of how social policy has been organized and expanded in liberal and social-democratic countries, the USA and Sweden did display typical characteristics. In the USA the voucher system was targeted toward disadvantaged social groups as is typical for its means-tested social security programs, whereas in Sweden, the school voucher system is a universal social right with citizenship as the primary criteria for entitlement. (Baggesen Klitgaard, 2007, 463.)

#### 5.1.4 Early childhood education

With regard to early childhood care or education, kindergarten for children of three years and older has been defined by many countries as integral to the education system, although institutional arrangements and starting ages vary (Beblavý et al., 2011, 15; West & Nikolai, 2013, 476). Beblavý et al. (2011) found that social-democratic countries score higher on participation in institutional childcare, whereas conservative and liberal countries are evenly spread across the distribution of participation in early childhood education. Mediterranean countries are divided in the participation in institutional childcare index. Participation in Italy and Spain is high, and in Greece and Portugal it is low. (Beblavý et al. 2011, 15.)

Esping-Andersen (2008) considered the daycare options for under three-year-olds. He reports that there are broadly three options: familialism, purchased private care and publicly serviced daycare. In Europe, famililism, a family member provided care, typically by the grandmother, has been the obvious choice in the past but is increasingly declining because of lack of available carers. Government subsidized or independent private childcare is available but can suffer from high cost and/or quality differentiation: the net cost of one child is 19% of total family income in the UK, 21% in the Netherlands, and 26% in the US for an average income family. In the public domain, in order for the daycare arrangements for children under three years of age to be affordable, Esping-Andersen suggests that the

cost of daycare should be tailored by the state to be progressive, i.e., fees should be set in relation to earnings, instead of subsidized as tax deductions because tax deductions tend to be less relevant to low income families.

The Nordic countries are an example of a government subsidized daycare systems with progressive fees. They offer a standardized full-day daycare with guaranteed access for all and generally high-quality personnel. (Esping-Andersen, 2008, 32.) Regarding Scandinavian day care development, “... *the decline in social inheritance effects on educational attainment coincides almost perfectly with the period (1970s-80s) in which child care attendance became the norm.*” (Esping-Andersen, 2006, 406). By way of explanation, Esping-Andersen contrasts the American day care system with the Scandinavian one. The American one is almost entirely privately provided and the quality of care is generally dependent on the parental income resources. Simply put, wealthy parents are in the position to buy better quality care for their children and vice versa. The Scandinavian day care providers, on the other hand, are generally affordable, uniform and of high-quality, thereby equalizing the early childhood environment and cognitive development for all socio-economic backgrounds. Quoting Esping-Andersen:

The uniqueness of the Scandinavian model, at least in the last two to three decades is that a crucial part of pre-school stimulation is shifted from parents to centres that do not replicate social class differences. (Esping-Andersen, 2006, 406)

According to Esping-Andersen (2006), the universal day care system, along with low child poverty, are the likely explanations for the Nordic countries low levels of social inheritance, or, in other words, high intergenerational social mobility.

### 5.1.5 Immigration

The Esping-Andersen (2008, 26) table 2 shows PISA 2000 survey of immigrant 15-year olds' mathematics scores in twelve countries. Mathematics scores were chosen for the study because they are more culture neutral than literacy test scores. *Raw immigrant effect* refers to the deficit or the difference in educational achievement between the native students and the immigrant students in a country. The *Adjusted immigrant effect* refers to the same deficit, but with a control for the following socioeconomic factors: gender, mother's education, parents' socioeconomic status, and the family's 'cultural capital' (as measured by the variable 'number of books in the home'). The control shows that the immigrant deficit in educational achievement is partly compositional or, in other words, related to socio-

economic factors because it changes the deficit substantially, mostly narrowing it, and, as in the case of US, even disappears.

	Raw immigrant effect	Adjusted immigrant effect
Austria	-60	-36
Belgium	-82	-56
Denmark	-33	-17
Finland	-18	-22
France	-33	-20
Germany	-68	-40
Ireland	15	13
Netherlands	-73	-43
Spain	-21	-23
Sweden	-37	-25
UK	-21	-21
US	-35	+14

Taulukko 2. The immigrant deficit in different countries (Esping-Andersen, 2008, 26).

Differences between countries in the immigrant educational achievement are substantial (Esping-Andersen, 2008, 26). The adjusted deficit is largest in conservative countries (Belgium, Germany, the Netherlands and Austria) and comparatively smaller in the rest of the countries, except for the liberal countries of Ireland and US, in which the immigrants seem to outperform the native students. Esping-Andersen (2006, 26) argues that “... *the Danish-German contrast is informative since the ethnic profile of immigrants is quite similar in the two countries*” while the differences in the deficit are significant. This suggests that institutional features affecting immigrants’ educational achievement produce the gap in performance between the countries.

Fossati (2011) investigated “*the causes of the divergent educational outcomes of native and non-native students in different OECD democracies, focusing on the specific institutional settings.*” She assesses the influence of different level variables on native and immigrant students’ test performance, such as the welfare state system and the integration effort of the immigration regime at the macro-level, along with the characteristics of the educa-

tion system at the meso-level, and individual and school variables at the micro-level (Fossati, 2011, 392.) These levels can be seen in the Table 3.

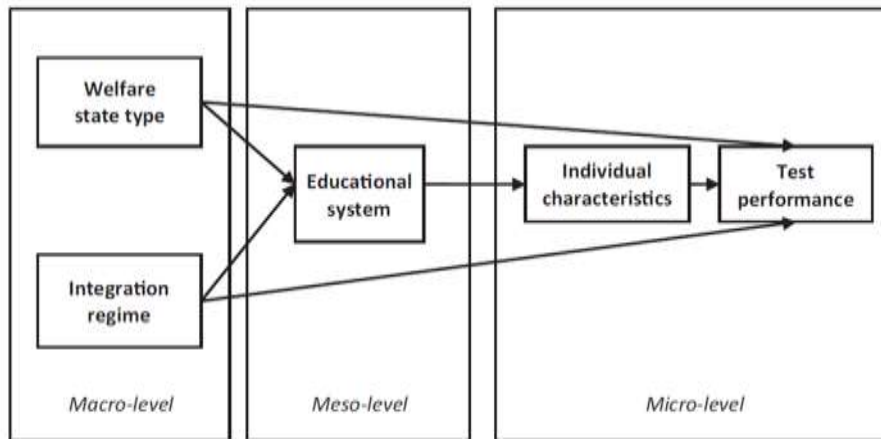


Figure 1 The model explaining test performance of students from a background of immigration (author's own illustration).

Taulukko 3. The model explaining test performance of students from immigration backgrounds (Fossati, 2011, 393).

Fossati performed analysis of 22 European countries and Canada based on PISA 2006 data file by OECD general test performance (mathematics, reading and science). She suggests that positive discrimination for immigrant students may under some circumstances lead to a counterproductive result. Fossati found that while native students benefit from social-democratic welfare states and immigration-friendly integration regimes, immigrant students underperform under these types of regimes (2011, 391). Overall all students and especially the native students' academic performance benefits from the social-democratic welfare state system, less selective school systems and immigration-friendly integration regimes positively. However, students from an immigrant background underperform in social-democratic, corporatist and Eastern European welfare state. Instead, they do significantly better in a liberal/traditional immigration country. (Fossati, 2011, 407.) Countries with a liberal orientation and a long history of immigration seem to be more successful in integrating immigrant students. (Fossati, 2011, 405). The corporatist regime type has the most negative influence on both native and immigrant students. While the impact is less significant for the performance of native students, it makes a difference for the immigrant



students: their results are on average 15 PISA-points lower than those by immigrant students in other European countries and in Canada (Fossati, 2011, 403). The differences between native and immigrant students achievement in a country can be seen in the Table 4.

<i>Country</i>	<i>All students</i>	<i>Native students</i>	<i>Immigrant students</i>	<i>Difference between native and immigrant students</i>
Austria	520.40	528.39	459.85	68.54
Belgium	527.09	535.29	456.77	50.77
Canada	522.49	521.88	526.95	-5.07
Czech Republic	529.14	529.97	479.20	50.77
Denmark	503.09	506.66	445.46	61.2
Estonia	522.91	526.74	490.46	36.28
Finland	554.83	556.05	468.42	87.63
Germany	524.69	532.32	465.81	66.51
Greece	473.21	475.16	444.13	31.03
Hungary	504.87	504.49	502.63	1.86
Ireland	511.87	512.42	501.78	10.64
Italy	490.97	493.25	433.96	59.29
Latvia	492.02	493.42	476.85	16.57
Lithuania	484.93	484.93	484.96	-0.03
Luxembourg	494.60	515.04	455.41	59.63
Netherlands	532.53	537.88	481.49	56.39
Norway	491.09	494.39	440.27	54.12
Portugal	480.69	482.23	449.46	32.77
Slovenia	484.49	487.12	459.02	28.1
Spain	497.11	499.59	442.98	56.61
Sweden	508.14	512.76	467.61	45.15
Switzerland	519.03	532.75	462.73	70.02
Great Britain	509.87	510.33	499.34	10.99

Taulukko 4. Mean educational achievement by students subset, PISA 2006 (Fossati, 2011, 407).

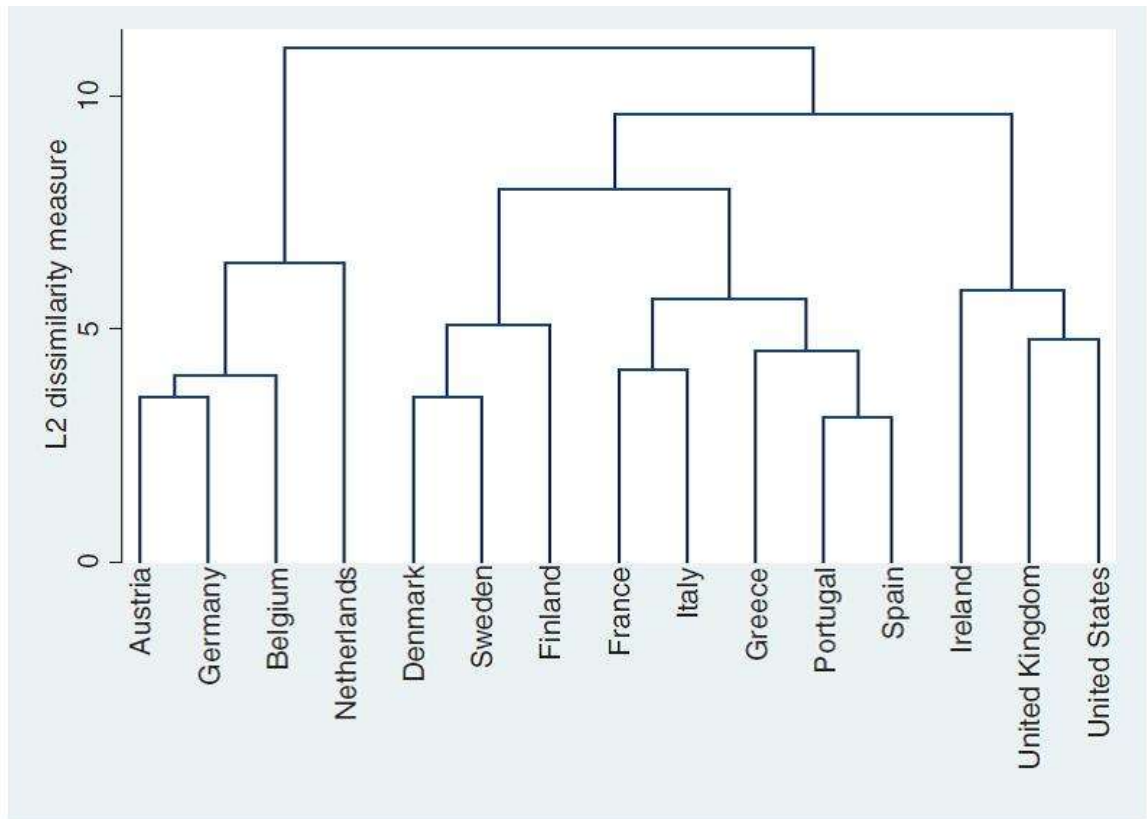
Fossati finds that the most important variable explaining test performance is located within the meso-level, i.e., the educational system. This variable is the school's socio-economic background. (Fossati, 2011, 405.) Her finding that educational achievement is lower in schools where the majority of students emanate from lower socio-economic backgrounds suggests that it would be more advantageous if the influence of the mean socio-economic status could be reduced, especially for immigrants and disadvantaged students in general. In addition, she argues that a highly selective school systems lead to further segregation and inequality: the selectivity and/or tracking adds one more variable to the accumulation of disadvantages faced by lower-performing students, whereas the elite benefit from a more stimulating environment. (Fossati, 2011, 405-6.) Fossati concludes:

The most important influencing factor is thus environmental. It follows that the indirect influence countries have on academic performance through the educational structure is higher than the one they in other, more direct, modes of influence (e.g., welfare state or immigration regime) (Fossati, 2011, 406.).

## 5.2 Structures of education and Educational regimes/clusters

Peter et al. (2010) conducted a cross-national study of welfare regimes and educational equality that tested socio-economic gradients and educational outcomes among 15 industrialized countries using 2003 PISA data in Reading, Mathematics and Science. Their examination focuses on within- and between-school difference in socio-economic gradients in student achievement (Peter et al., 2010, 252). Peter et al. acknowledge that the *academic performance* of students extensively varies between nation-states, and in itself does not necessarily conform to a welfare state typology. However, the study of *school-level socio-economic gradients* supports the Esping-Andersen's three-fold typology in that the welfare states cluster by the Social democratic (Denmark, Finland, Iceland, Norway and Sweden), Conservative (Austria, Belgium, France, Germany and Italy) and Liberal welfare state regime (Australia, Canada, New Zealand, UK and USA) according to their level of educational inequality. They conclude that the adaptation strategies of welfare states, with regard to social inequality in education, show that "... *some nation-states are more intolerant of inequalities than others and this is also reflected in the education of young people.*" (Peter et al., 2010, 257.)

West and Nikolai (2013) present an explanatory analysis of education systems from 14 European Union countries and the US. They focus on institutional features associated with inequality of educational opportunity, such as academic selection, tracking and public/private provision of education as well as on educational outcomes and educational expenditure. Their quantitative analysis studied the primary, secondary and tertiary education using PISA 2009 data. It identifies four 'education regimes' or clusters which they have named the Nordic (Denmark, Finland and Sweden), Continental (Austria, Belgium, Germany and the Netherlands), Mediterranean (France, Greece, Italy, Portugal and Spain) and English-speaking (Ireland, the UK and the US). (West and Nikolai, 2012, 481-2.) The clustering can be seen in Table 5.



Taulukko 5. Clusters of countries with respect to primary, secondary and tertiary education (West & Nikolai, 2013, 480).

They state that each educational regime is “*associated with particular institutional features, educational outcomes and levels of public expenditure*”. (West & Nikolai, 2013, 469) They find that the most dominant features distinguishing the education regimes are: age of first selection in differentiation or tracking and expenditure, and the number of school types post-age fifteen.

Although the framework for analysis and precise indicators differed in the analysis, the educational regimes of West and Nikolai correspond to those suggested by Green, Preston, and Janmaat, (2006) and Allmendinger and Leibfried (2003). The data from these studies is not included in this thesis, but their results are mentioned because they support the validity of the West and Nikolai results. Allmendinger and Leibfried, who studied educational poverty in terms of the level and differentiation of competences produced by education systems, found that welfare states group into English-speaking, Scandinavian, Continental Western Europe and Southern European clusters. Green et al. also proposed four models of educational clusters: the Nordic model (Denmark, Finland, Norway, Sweden and Ice-

land); the Germanic model (Austria, Belgium, Germany, Luxembourg, Switzerland and the Netherlands); the Mediterranean (France, Greece and Italy); and, the Anglophone model (the UK, the US and New Zealand). They found “*that on various measures of equality, countries cluster according to regional and cultural patterns which tend to coincide with types of educational organisation.*” (West & Nikolai, 2013, 474.)

Beblavý, Thum & Veselkova (2011) examine which countries deliberately attempt to reproduce social stratification through social and educational policies, and which place greater emphasis on intervening in the stratification process. In their study, they used the variables of the level of streaming and the degree to which either the state or the market or family provide learning environments. Their sample consists of 22 countries (with notable exception of the USA, Canada, New Zealand and France). According to the cluster analysis by Beblavý et al. (2011), there are four educational clusters that are more mixed than found by, for example, Peter et al. and West and Nikolai, and do not exactly conform to Esping-Andersen’s welfare state regimes. This might be explained with the inclusion of early childhood education as a variable. Early childhood education, as mentioned earlier, does not follow a discernible clustering in the Western nations.

The first cluster in Beblavý et al. (2011) follows the Germanic education model. It has quite a strong culture of streaming children into different schools and a high exposure to state-provided education. The Germanic model contains four of Esping-Andersen’s conservative countries (Germany, Austria, Belgium and the Netherlands), a Mediterranean country (Italy) and three Central and Eastern European countries (the Czech Republic, Hungary and Slovenia). The second cluster portrays a mixture of Scandinavian, Mediterranean and liberal countries (Iceland, Denmark, Finland, Norway, Sweden, Portugal, Spain, Ireland, the UK, and Luxemburg). They follow education systems similar to the Anglo-Saxon, French or Scandinavian systems, which are characterized by a weak culture of streaming and a high exposure to state-provided education. The third cluster consists of three countries (Estonia, Greece and Poland) which are characterized by a quite low rates of participation in institutional childcare, a low degree of streaming into different schools and low numbers of hours spent at school, but a relatively high exposure to market-provided learning. Japan alone constitutes the fourth cluster and is characterized by a high variance in reading performance both within and between schools, medium participation in early childhood education, and relatively high number of hours spent at school. Japanese children are highly exposed to educational environments and their variance in performance

is high. The contrast of Japan from the other clusters seems to be a product of the high level of extracurricular activities. (Beblavý et al. 2011, 18)

The above research, with the exception of Beblavý et al., indicate educational clusters that group as Nordic or Social-democratic; Liberal, English-speaking or Anglophone; Conservative, Continental or Germanic; and Mediterranean (although Peter et al. consider these countries as part of the Conservative regime). The term educational regime, instead of cluster, is adopted in this thesis to re-enforce the connection to the welfare state regime as a point of comparison. The four models of education regime evident in the research, henceforth referred to as social democratic, liberal, conservative and Mediterranean for clarity, are presented below to give an overview of the general similarities and differences in the education systems and educational outcomes that the groupings exhibit.

### 5.2.1 Social democratic / Nordic

The social democratic or Nordic regime is characterized with a publicly funded and non-selective nine-year comprehensive school system. Tracking does not start until the age of sixteen, at which points students may choose between a university-oriented high school and a vocational school, which is an apprenticeship-based system. Public expenditure on education is above average and private expenditure is low. With regard to the public-private mix, Sweden forms a notable exception due to its independent publicly funded schools, some of which are profit-seeking: comparatively enrolment in these schools is high, especially in the large urban areas. (West and Nikolai 2012, 481-2.) According to Skolverket in Sweden, the decision to implement school choice and private education, the so-called freedom schools, has impacted the student body composition of schools and increased segregation between schools. According to OECD (2015, 32), the country's education system has experienced a sharp decline in the country's academic performance over the past decade; but it has done so among the socio-economically disadvantaged and advantaged students alike. They consider the issue to be disciplinary and motivational. OECD (2015, 35) reports that: "*PISA 2012 reported more disciplinary issues for Swedish students than for their peers across OECD countries.*"

Enrolment in early childhood education is above average or high, with the exception of Finland. (Beblavý et al. 2011, 14). Overall, the social democratic regime can be seen to provide a high level of equality of opportunity (West and Nikolai 2012, 481-482).

### 5.2.2 Conservative / Continental / Germanic

The Conservative, Continental or Germanic (and sometimes also referred to as Corporatist) school systems are highly tracked and stratified. Track selection takes place early, between the ages of ten and twelve, often on the basis of teachers' recommendations, with or without regard to parental input. The tracks lead to different kinds of academic attainment, either university-based or vocational education, and the possibility to change is quite limited once it has been entered. Enrolment in early childhood education is high between the age of four and the beginning of compulsory education. West and Nikolai (2013) conclude that the Continental countries can be seen to reproduce social stratification via the differentiated education system. (West & Nikolai, 2013, 481-482.)

It should be noted that in the recent years, reforms have been made in the German school system, which has often been used as the 'ideal' exemplification of a Conservative country. On a federal level, traditional half-day schooling was supplemented nationwide by full-time alternatives, which represents a move away from the characteristic familialism. Also, attempts to relieve segregation by establishing a two-, rather than three-track system, have been implemented in the *Länder* and there has been a push for standardized national curricula. The process of policy change indicates a change in the stability and path dependency of the conservative Germany (Augustin-Dittmann, 2010, 49-51).

### 5.2.3 Mediterranean

These countries have a stratified education systems, in which the first academic selection takes place between the ages of thirteen and fifteen. The effects of tracking limit possibilities for further academic education. Public expenditure on education is relatively low, below the mean. Early childhood education enrolment is high, with the exception of Greece. Educational outcomes in the Mediterranean group are mixed. In the Mediterranean countries the level of equality of opportunity also suffers from the stratified education system, although in comparison academic selection takes place later than in the Continental regime. (West and Nikolai 2012, 481-482.) Private schooling exists to a small extent on compulsory level, but private cramming courses are much more popular. They are frequented by students in upper secondary education who wish to be admitted to universities. Different socio-economic backgrounds either cannot peruse the services, or the less advan-

taged generally receive lower quality instruction, negatively impacting educational attainment and possibility to enter to university. (Papapolydorou 2010, 124.)

#### 5.2.4 Liberal / English-speaking / Anglophone

Enrolment in early childhood education in the liberal regime varies. The education systems tend to be fairly comprehensive and academic selection normally takes place at the age of fifteen or sixteen, generally at the end of compulsory schooling. Public expenditure on primary education in these countries is relatively high as is the private expenditure. Private education and ranking of schools tend to produce desirable and undesirable schools. West and Nikolai (2013) note that the English-speaking regime tends to be more inegalitarian than the Nordic cluster but less so than the Conservative countries. (West & Nikolai, 2013, 484.)

Next, the significance of these groupings is expanded on using the available cross-national research on achievement inequality and equality of educational opportunity in education systems.

### 5.3 Educational inequality in terms of variation in student achievement scores

Peter et al. (2010, 257) acknowledge that the academic performance in PISA 2003 data of students extensively varies between nation-states, and in itself does not necessarily conform to a welfare state typology. Other studies show some correlation between the dispersion in student test scores and welfare state clustering, especially with regard to the conservative states.

West and Nikolai (2013) used PISA 2009 data in reading performance in a cross-national study to investigate the difference between 5th and 95th percentiles; below level 2; at levels 5 and 6 (highest levels). The performance at low and high levels represent “*the extent to which competence at age fifteen is distributed unevenly: the greater the gap, the greater the inequality.*” (West & Nikolai, 2013, 478). In the Nordic countries, the proportion of students who are at a poor level of reading is below average. The difference in reading scores between high and low performers is below average in Denmark and Finland, whereas in Sweden it is slightly above average. In the English-speaking countries the difference in reading scores between high and low performers is above average. Educational out-

comes, in terms of reading scores, in the Continental education regime tend to be widely dispersed. However, they are distinguished by the difference in reading scores between high and low performers, which is either at or above the mean. In the Mediterranean countries, proportion of low-performing readers tends to be high, but the difference in reading scores between high and low performers vary from country to country. (West and Nikolai 2012, 481-4.)

Education systems in which there is a high point difference between the 5th and the 95th percentile point, or high differences between low- and high-achievers, differentiate more strongly and thus also have a higher level of educational inequality, whereas systems which have smaller variance produce more egalitarian educational outcomes (Allmendinger & Leibfried 2003, 72). Regarding West and Nikolai (2013) with this respect, the Scandinavian countries produce more egalitarian results. Although the results vary more between individual countries, the English-speaking and, more so, the Continental countries tend to produce less egalitarian performance in student outcomes. Comparatively, the Mediterranean countries tend to produce the highest level of low-performers.

Beblavý et al. (2011) found that regarding reading performance in PISA 2009, countries which were classified by Esping-Andersen as conservative, with the exception of Luxembourg, had relatively low levels of variance of performance within schools and high level of variance between schools, indicating that conservative countries seem to stratify students to a larger extent in different schools (Beblavý et al. 2011, 14). The social democratic countries had high variance within-schools and low variance between-schools, indicating that social-democratic countries seem to stream less between-schools but rather the differences in performance play out within-schools (Beblavý et al. 2011, 14-15). Liberal countries had higher distribution of within-school variance and were in the middle of the distribution concerning between- school variance. Mediterranean countries have less within-school variation and higher between-school variation. One reason could be the stratified education system, although in comparison academic selection takes place later than in the Continental regime. (Beblavý et al. 2011, 15.) The results for liberal and Mediterranean countries are less indicative than for the conservative and social-democratic groups of countries. Liberal states do have low and high performing schools but to a lesser extent than the conservative ones.



Regarding variance with levels of achievement, Montt (2011) found that of the Western countries Estonia and Finland experience the lowest amount of achievement standard deviation (or variance) in math test scores in PISA 2006. By contrast, the conservative countries of Belgium and Germany have the highest levels of variance. No school systems produce high levels of variance with low levels of achievement, but high levels of variance can be seen among several high-achieving countries of which most are conservative (e.g., Belgium, the Czech Republic, Germany, Austria, and Switzerland). However, Montt observed high and homogeneous achievement throughout some liberal and Nordic countries (e.g., Finland, Estonia, Ireland, Denmark, and Canada). (Montt 2011, 56.)

In conclusion, in terms of standard deviations of the spread of student achievement scores, we can find some distinguishable groupings: the conservative or continental regime stand out as producing high levels of variance in learning results in the country, and some liberal (mostly, Canada and Ireland) and most social democratic countries which produce less variance with good results.

#### **5.4 Equality of educational opportunity**

On a regime or cluster level, the impact of socio-economic background on students' educational achievement varies. According to West & Nikolai (2013), in the Nordic education cluster, the effect of social background on educational achievement is either at, or below the mean. In the English-speaking education systems the relationship between reading performance and social background differs between countries. In continental education cluster, the relationship between reading performance and social background is average or above average, with the exception of the Netherlands. In the Mediterranean countries the relationship between reading performance and social background vary from country to country. (West & Nikolai, 2013, 481-4.)

According to Montt (2011) standardization, tracking and intensity of schooling impact educational equality equally in the USA and the Nordic countries. Nevertheless, total achievement inequality in the United States is much greater than in the Nordic Countries. He argues that this is due to both the greater variation in students' background and the stronger effects of student background on their achievement, rather than the institutional arrangements of the educational system. (Montt 2011, 61.) Cavanagh's (2007, in Baird 2012, 485) research on student test scores confirm that in the USA 18% of test score varia-

tion among students can be explained by students' socioeconomic characteristics, when the average among industrialized nations is 14%, with a low of around 8% in Canada and Finland.

There was less consistency with regard to the within-school variation than in the welfare state regimes; in general, the conservative welfare states had the lowest within school gradients, while the gradients for the social-democratic and liberal regimes did not differentiate the two. The fact that there was less individual difference in the influence of SES on achievement among students attending the same school in conservative welfare states means that within the student body one school, an individual student's background does not considerably make their academic achievement better or worse when compared to another student in the same school with a different background. The greater within-school SES homogeneity of conservative regimes is a result of selective system of tracking that is likely to group students of the same background into the same schools. The conservative welfare states' school systems generally have a greater degree of social selection and differentiation: in four out of the five conservative countries that were analyzed by the researchers tracking began by age 14, out of which Germany and Austria begin tracking already at the age of 10. (Peter et al., 2010, 254-5.)

The results in the Peter et al. (2010) study indicate that the conservative welfare states have the highest between-school gradients for math, reading and science in the PISA 2003 (Peter et al., 2010, 255). In the conservative welfare states

students who attend a school with a school mean SES one standard deviation below the national mean are most disadvantaged achievement-wise, while students in conservative states attending schools with a school mean SES one standard deviation above the national mean are the most advantaged. (Peter et al., 2010, 255).

According to Peter et al. this correlates with the conservative welfare regimes tendency to preserve status differentials. In the liberal states the link between school-level SES and mathematical achievement varied, with Canada having the lowest dependence as opposed to USA and England which exhibited the highest link in that group. The social democratic countries had the lowest between-school gradients. In the social-democratic, or Scandinavian countries, the link was weak in Iceland and Norway and non-existent in Finland. (Peter et al., 2010, 254-5.)

Conservative welfare states generally have much more between-school variation, followed by liberal regimes. Individual SES and school mean SES account for the greatest amount

of variance in student academic achievement in conservative states followed again by liberal states. Variation in the socio-economic composition of a school most impacts student achievement and equality of educational opportunity in conservative welfare states, then the liberal states and the impact is smallest in the social-democratic regimes. (Peter et al., 2010, 255.) Peter et al. conclude:

... the level of educational inequality at the school level – as measured by SES gradients in academic achievement – is the highest in conservative welfare states. Put another way, where one goes to school matters the most in these countries because schools with higher average SES exhibit higher mean academic achievement. As expected, school-level inequality is the lowest in social-democratic countries, meaning there is less difference in academic achievement by school mean SES. While between-school inequality is lower in liberal welfare states than in conservative welfare states, liberal regimes are still generally more stratified compared to social-democratic countries. (Peter et al. 2010/f,255-7.)

## 6 DISCUSSION

In the previous chapter I presented the research and data on institutional factors and educational structures related to educational equality in the education regimes. In this chapter the implications of the research literature are analyzed. I will discuss how, and to what extent, each welfare and educational regime logic affect the level of educational equality.

The research on cross-national equality in education from a welfare state perspective referenced indicates that there is enough empirical support for a classification in terms of educational equality. Other cross-national research is also referenced in this thesis to verify that the use of classification does not become too dominant. There are enough similarities in the educational policy, school structures and the subsequent student outcomes and levels of educational stratification to justify classifications as educational clusters or regimes. Thus, I can conclude that particular welfare policy configurations are associated with particular tendencies in education policy.

Educational regimes are named by different researchers as Nordic or Social-democratic; Liberal, English-speaking or Anglophone; Conservative, Continental or Germanic; and Mediterranean, although Peter et al. consider these countries as part of the Conservative regime. This clustering reflects most of the classifications of countries in the welfare regime literature post-**THREE WORLDS OF WELFARE CAPITALISM** in that, in addition to the three welfare state regimes by Esping-Andersen, they add a separate ‘Southern’ or ‘Mediterranean’ welfare state regime. I will continue to use the terms social democratic, liberal, conservative and Mediterranean in the following discussion. Regarding education, the logic of these groupings distinguished different approaches to equality of opportunity.

The liberal regime places emphasis on compulsory education an alternative social service, or an alternative to social service; this logic is clearly visible in the emphasis of greater funding for education as opposed to social security. The logic of the liberal regime is to create legal structures that ensure a meritocratic society. Education is seen as a meritocratic institution of social mobility, which enables everyone to compete in the attainment of socio-economic status according to their ability and effort. The trust in markets and competition as providers of efficiency is evidenced in the state-market mix in education, in the form of quasi-markets of education. The option of school choice and support for private schooling are claimed to improve the quality, cost-efficiency and responsiveness of schools

and enhance competition between public and private educational institutions. Ranking of schools is also commonplace. School autonomy in terms of school choice and public/private education and its funding seems to correspond to a general trend of the liberal states allowing for greater interference by the market, i.e., allowing for private expenditure in education. In the USA, while school choice is encouraged, any national school voucher program has been eschewed and school vouchers have only been moderately implemented within the states. This reflects the 'weak' government in the US, where the states hold considerable fiscal, legal and political autonomy.

The liberal systems follow to various extents the conception of equal educational opportunity as horizontal equity which requires that all children have equal access to education and that education does not discriminate against any child or a group of students. According to Beblavy et al. (2011, 2) this reflects the dominance of the equality of opportunity in national discourse, where equal access to education represents the effort to make citizens competitive in the labor market. Equality of opportunity is also realized in the form of the comprehensive compulsory education, which provides the same qualifications for all students, although within-school streaming does take place. Where equality of educational opportunity as vertical equity is considered, it manifests in the uneven distribution of target programs in education for the under-privileged, e.g., in the form of affirmative action. The consideration of needs and disadvantages of students who are, for example, socio-economically challenged or otherwise segregated, come in the form of means-tested or otherwise specifically regulated; not universal services, as is the case of school vouchers in the USA. The private education sector also offers the opportunity to buy market-based solutions for special needs of students, e.g., the gifted.

The liberal states are middle achievers in terms of social stratification and inequality in the compulsory education system at the regime level. Differences between the high- and low-performing students tend to be above average, but variation between schools was average. In terms of the individual welfare states, Canada and Ireland stand out as countries which achieve high and homogenous results.

Regarding equality of educational opportunity or educational stratification the relationship between social background and student performance varies within the liberal regime. In Canada, the impact of social background on student performance was extremely low, on par with Finland. The USA stands out as a country in which this relationship is well above

the average among industrialized nations. Montt (2011) attributed this to the greater amount of variation in the student background, rather than any institutional or school structure-related factors. It is a fact that the population of the US is larger and more diverse, due to it being a traditional immigration country with a generally low threshold for entry and work permits. However, I would also consider the impact of student body composition. The neighborhoods in the US tend to reflect socio-economic statuses, and segregated housing patterns result in the division of particular school districts with families with very different racial, socio-economic, and cultural capital backgrounds. Funding for the schools also depends on the school district (Montt 2011, 63), and schools in more socio-economically advanced districts tend to be better funded.

The data on the relationship of between-school SES and academic achievement support this argument. The US and the UK exhibited the highest dependence of this link in the liberal regime. I would argue that the socio-economic and racial segregation of neighborhoods in the US and high degree of selectivity in, and popularity of, private educational institutions in the UK represent a problem to the meritocratic aspiration of these liberal school systems. The ranking of schools further increases educational stratification in terms of parental cultural capital. Canada, on the other hand, again emerges from the data as having the least impactful impact of the between-school gradient. The clear differences in the academic performance and social gradient of the US and the UK as opposed to Canada would make an interesting country comparison. Perhaps the explanation can be found in the welfare state structures. Marks (2005) argued that educational inequality seems to reflect more general societal inequalities. In terms of their approach to equal opportunity in social security in the welfare state regime classification, the US has more of a libertarian minimal interpretation to social inequality whereas Canada is influenced by liberal egalitarianism.

Immigrant students do better in liberal countries as opposed to the social democratic or conservative educational regimes. According to Fossati (2011) this is likely due to the tradition of immigration in these countries. The commonplace of diverse groups in the liberal countries, as well as schools, facilitates the acceptance and integration of immigrants, although calls to curb illegal immigration are frequent.

As stated earlier, the liberal educational regime has higher levels of equality of educational opportunity than the conservative states. However, the gains the liberal states make with

regard seem to be squandered in terms of socio-economic advancement and equality. The match between the educational qualifications and labor market is weak, and hence, the occupational destinations and job security suffer from the more comprehensive and general approach to secondary education. The analysis by Murray and Polesel (2013) suggested that in Australia a social selection takes place at the transition point. Most likely, social origins and socio-economic backgrounds affect the choices that families and students make about further education or an entry to the labor market. As it now stands, the liberal states exhibit more societal inequality than the conservative or social-democratic states with respect to the most commonly used measures of inequality, e.g., the Gini coefficient and housing patterns. There exists a polarized division of the very rich, middle class and the poor, and child poverty is the highest among the Western nations (Esping-Andersen, 2006).

The potential for individual social mobility and human capital in the liberal regime would increase from the reduction of the strength of the social gradient and the socio-economic compositions of schools. The effect of segregation of neighborhoods differentiated by education, socio-economic, ethnic factors, and polarization of schools into desirable and undesirable ones, would probably benefit from more specific zoning regulations, especially in big cities. However, such major change in the liberal societies is unlikely, especially due to the principle of the meritocratic 'just deserts'. Also producing a better match between the qualifications produced by schools and those in demand in the labor markets would be beneficial for the better transition to labor markets. It would necessitate more cooperation between educational policy and business interest groups, including labor unions, but the relationship between those instances is relatively weak.

The social-democratic regime deems intervention necessary in order to reduce inequalities produced by the free market economy. In Esping-Andersen's typology, the government provides universal social policies and added protection for weak groups (e.g., elderly, disabled, families) according to the principles of universalism and de-commodification of social rights. They follow the liberal egalitarian approach and principles of vertical equity, and work to increase social welfare and reduce social inequality through both the welfare state social security and the education system. Social-democratic states divide their spending equally between the two. Both education and social security are seen as 'equalizers', the benefits of which are three-fold: they increase the political capacities of citizens, diminish social divisions in society and improve economic efficiency by providing human, cultural

and social capital. Their approach more resembles *equality of outcome* in education and *equality of condition* in society.

Government steering in education has been strong. However, calls for decentralization of the government task beginning in the 1980s impacted the educational systems, and resulted in more autonomy given to the municipalities to arrange budgets and hiring. These developments can be interpreted to reflect a neo-liberal trend in the social-democratic countries.

Social-democratic countries generally leave little room for private education institutions, with the exception of Sweden. In Sweden, which displayed policy development that was contrary to their welfare state regime logic the private educational sector and parents with regard to school choice were given considerable freedom. However, the Swedish private sector is funded by the government, exemplifying the strong etatism of the social-democratic regime.

The social democratic governments have been noticeably corporatist and consensus-seeking in their formulation of educational policy, involving teacher labor unions and sectors and interest groups outside of education. Nevertheless, these groups were left out in at least two notable instances of educational reform: in Finland, during the comprehensive school reform of 1968 and in Sweden, in the implementation of school choice. The 'beauty' of etatism, i.e., the government interference and presence in all policy sectors, is that it seems to enable the social democratic welfare states to proceed with, and implement, major reforms, despite objections. Political stability and the historical strength of coalition governments have also ensured the follow-through of such reforms.

The corporatist tendencies among different interests, especially with the strong labor unions, in educational policy formulation are also visible in the construction of the educational pathways. The apprenticeship based systems in Scandinavian countries, except for Sweden which has a comprehensive post-compulsory system, are a product of comparatively produce qualifications that are in line the labor market demands.

In social-democratic terms, educational equality means that all have the possibility to benefit from the same compulsory education, and it seeks to redress inequalities that are beyond the students' control, such as the socioeconomic status. Thereby, early-prevention programs and provision of special education have been a key focus. The idea of universal access to education includes tertiary level schools, which are offered free of charge, although



only for those who qualify in the entrance exams. Their efforts have paid off. Social democratic regime as a whole has the lowest levels of variation student achievement and educational stratification in the compulsory education system.

Only the social democratic countries stand out as characteristic to their regime in the implementation of a universal daycare system. It seems that the Scandinavian countries have succeeded in implementing early childhood care and education that allows for the evening out of social inheritance, due to its universality, quality and affordability. Participation in institutional childcare in Scandinavian countries is the highest, likely due to the emphasis on equal labor market policies, such as parental leaves for both sexes and ease of mother's return to the same workplace, and the affordability of the care. The lower participation rate in Finland is an exception.

The social democratic regime has not yet experienced any large scale immigration, and while the universal welfare state services are extended to immigrants on a citizenship basis, there seems to be a level of uneasiness in the interaction between the native and immigrant groups. In Finland this was recently exemplified by the comments of parliament representative Olli Immonen to "*fight until the end*" against the "*nightmare called multiculturalism*".

The social democratic welfare states exhibit the strongest educational equality comparatively. However, in the recent years it has started to erode. In Finland, Jakku-Sihvonen and Kuusela (2013) found that growth of geographic and between-school division have resulted in accumulation of inequality, which is further increased through school district and neighborhood differentiation, which is a recent phenomenon. Also, academic performance in the social democratic countries has started to fall in relation to other countries, exemplified by Sweden. This is especially attributed to issues of student discipline and motivation in schools. Should the Nordic countries heed the analysis of the OECD (2015) report mentioned earlier? Does the safety net provided by the welfare state provide insufficient incentive for learning and working hard? Interestingly, the report does not consider educational policy or school structures as the locus of the problem.

According to Esping-Andersen's typology the conservative regime seeks to preserve stability and produce efficiency in the society through strong government interference. Its structures preserve social stratification to maintain a status quo, e.g., through social income transfers, which accrue based on contributions. The conservative educational regime re-

flects these purposes with early specialization and tracking, in order to ensure efficiency and productivity in the labor market as well as society. The school structure results in the highest levels of inequality in the compulsory education system and social stratification. In the conservative education regime early tracking and differentiation of students along their academic achievement into different schools not only stratifies and limits educational attainment choices of the students, but also polarizes the student achievement gap by creating schools with either a high or low average socio-economic background.

The conservative states allow for private education more moderately, but it is disconnected from the market and instead connected to church-operated denominational schools. This is in line with the regime preference for non-market solution and preservation of traditional values, and reflects the values of the strong political coalition between Christian Democrats and Conservatives. Baggesen-Klitgaard (2007) found that with regard to the development school vouchers and parental choice in education, Germany also exemplified its conservative regime.

Educational inequality and differential academic achievement in a conservative country frequently derives from the socio-economic composition of schools. The differentiated SES compositions in schools due to tracking polarize, or at least maintain, differences in academic achievement. This means that the school system in conservative states does not act as an “equalizer”; to say the least; the conservative education regime maintains the broader social stratification. It is debatable whether it follows the ‘do no harm’ principle of equal educational opportunity or if it in fact supports educational structures that exacerbate educational equality. Schools with less or no tracking and differentiation, such as the social-democratic and liberal education systems, tend to have more heterogeneity, i.e., students with varying SES backgrounds, in the school body.

The conservative educational regime seems very utilitarian in nature. As opposed to the compulsory level comprehensive schooling systems in social democratic and liberal countries, the conservative states focus on effective allocation of students into the labor market via early tracking mechanisms. The subsequent decrease of educational inequality and educational stratification are tolerated, because the arrangement also produces efficiency and economic prosperity, and thus ‘maximizes the total good’. Conservative educational regime produces the best match between education qualifications and the labor market in

comparison to the liberal and social-democratic countries. Germany's recovery from the contemporary economic slump bears witness to the efficiency of the system.

In the conservative regime, the *gästarbeiter* are tolerated for labor shortages, but not particularly welcomed to stay or integrate. In fact, the German chancellor Angela Merkel remarked in 2011 that the "multicultural experiment has failed" referring to problems with immigration. The immigrant students experience strongest educational stratification in this regime as opposed to the liberal and social democratic regimes due to the selective nature of tracking systems, but perhaps also due to the attitude toward immigrants.

Comprehensive school reforms, for example, the Finnish education reform, which have postponed the earliest academic decision points, have increased inequality of educational opportunity (Beblavý et al., 2011, 6). While the conservative welfare state and educational regimes have appeared as the most stable on all accounts, changes are under way in Germany to change the three-track system to a two-track system, which represents a change in attitudes toward educational and social stratification. It would also be beneficial to defer the age of tracking in order to combat the effect of social inheritance in educational decision points. Issues in immigration should take into account integration on a societal level and at an early age. Access to pre-school education and enrolment are associated with higher levels of educational achievement, especially for disadvantaged children.

The Mediterranean countries were conceived by Esping-Andersen as belonging to the conservative regime, because they are characterized by a strong etatism and familialism, even more so than the conservative regime. However, other research claims the Mediterranean regime is justifiable due to very basic social provisions in aspects of income distribution, parental leave system, and daycare. The totalitarian years in these countries slowed down the development of the welfare state. For these reasons it has also been called a Rudimentary regime. The data for the Mediterranean regime is less indicative as an educational regime but can be distinguished according to public spending on education, which is comparably low, as well as other factors discussed below.

Variance in student performance between countries in the Mediterranean educational regime is wide, but the regime has the tendency to produce more low-achievers than the other regimes. There is a connection between student performance and socio-economic background which is often explained by the stratified education system, although, because it takes place later than in the conservative regime, the effect is not as powerful.

The low level of university graduates, i.e., the low level of cultural modernization in a country, is strongly associated with the impact of socio-economic influence on educational outcomes. For example, Spain and Italy have a large number of adults with only minimal education. The comparatively lower performance of Mediterranean students' achievement may be accounted by parental education and cultural capital, as they are important factors in the creation of academic achievement. Esping-Andersen argues that the leap in female educational attainment in the regime in the recent decades will likely diminish this gap in the future. (Esping-Andersen, 2008, 28.) Comprehensive systems of schooling are often perceived as low-quality by families, and supplemented with private afternoon cram schools. They are especially used for prepping for university entrance examinations, and reproduce educational stratification.

The Mediterranean countries would benefit from increasing the quality of instruction, which according to empirical data lags behind other regimes. It is a fact that also the parents have also by subjective means perceived, and supplemented with cramming schools. Letting go off tracking in the compulsory schooling system would enhance equality of educational opportunity.

The above explanation of the arrangements and the logic educational regimes needs to be considered with the same criticism as any classification. It is an artificial condensation of countries which simplifies the complexity of many-country comparisons and enables the identification of elements which converge and diverge despite common and overarching frameworks. In this thesis the educational regimes are classified based on factors affecting educational equality in terms of educational policy and structures. Any anomalies within regimes that have been found, have been stated, as in my opinion also they increase our understanding about the phenomena under study. Although Sweden, Germany and the US have often been used as 'ideal' types representing their regimes, there is no one single country that corresponds exactly. There is much doubt as to if these countries can anymore be stereotyped as representatives, as discussed earlier.

According to Esping-Andersen, and several others, there is a path-dependency aspect to the welfare state groupings, emanating from the ideology, politico-historical past and orientation to government interference, which directs their choices in reforming welfare state institutions. The welfare regimes are proposed to follow qualitatively different developmental trajectories which have a lasting and overpowering effect on which kind of adaptation

strategies can and will be pursued. This path-dependency aspect is often challenged and criticized. Baker and Wiseman (2006, 15) state that theoretical approaches to educational comparison should be open to and allow for change, even when it is irrational or unexpected. This has been kept in mind in the analysis of educational regime research in terms of the ‘frozen landscape’ criticism. Recent events in two countries which are often categorized as stereotypical examples or ‘ideal’ types of their regimes, Sweden and Germany, defy the lasting and overpowering effect of adaptation strategies in the educational framework. In Sweden, the expansion of school autonomy and market-based solutions in comprehensive education, and in Germany the change from half-day to all-day schooling and restructuring of the tracking system to a two-, instead of a three-track system, do not conform to path-dependency. Rather they represent a complete reversal from the social democratic and conservative logic.

Any classification would undoubtedly yield more information about the similarities and differences if more points of comparison were added. I briefly mentioned the Confucian welfare regime and the example of Japan standing out as its own category in the Beblavý et al. study. Cultural factors have neither been considered in this thesis, but they do present an interesting addition. Beblavý et al. (2011, 29) note that “*Estonia and other post-communist countries... structured their education systems post-independence rather according to their cultural ties, rather than recent political past.*” They continue onto say that historical and cultural ties are not necessarily easily overcome by a reform concentrating only on the education system. In this chapter, I have offered some suggestions regarding how educational regimes could increase educational equality. However, some of the changes suggested are unlikely to materialize because they require a change in the logic of equal opportunity and larger social restructuring, which – although possible – would require a powerful internal or external impetus.

## 7 CONCLUSIONS

In this thesis, my aim was to show and describe whether, and if so, how, different regimes of welfare states and their underlying ideologies affect the level of educational equality in their compulsory education systems.

In the second chapter of this thesis, I introduced the **THE THREE WORLDS OF WELFARE CAPITALISM** classification which serves as the theoretical starting point and comparative framework for this thesis. The third chapter discussed the most prominent factors in educational policy and institutional structures of education systems affecting educational equality. Then, methodology was discussed. The fifth chapter answered the research question whether welfare states can be grouped according to their educational equality along the same lines as typologies of welfare state regimes. Based on recent research and data four educational regimes were found, and named the social democratic, liberal, conservative and Mediterranean educational regime. Each regime was discussed in terms of their educational policy and structures, and the resulting outcomes regarding educational equality. In the discussion chapter I analyzed how the educational regimes relate to the logic of the welfare state typologies regarding equal opportunity. I also considered exceptions to the logic and possible criticism toward the classification of educational regimes.

The fairness or equity basis for educational equality requires that any educational inequalities should result from fair procedures. The structure of the society and school system should, at the very least, not discriminate or exhibit bias against students or exacerbate the social inequalities they enter the education system with. Factors concerning the individuals' social origins and ascribed characteristics should not hinder their achievement or attainment at school, or otherwise result in generation of inequality. The lesson learned from the literature in this thesis is that school system design is of importance. Comprehensive schooling system is shown to equalize opportunities while tracking leads to educational stratification. Segmentation or segregation of class or other background factors should be avoided because they increase the effects of the socio-economic composition of schools, which was deemed by many researchers referred to in this thesis as the single most important factor affecting between-school variation and educational stratification. Also, early childhood care and education can significantly erase the impact of social inheritance before children enter the school.

Research confirmed what was already quite evident: educational equality is currently more ideology than actuality. The levels of educational equality vary from country to country suggesting differences in the logic and structures that produce educational equality. I found that the conservative and social democratic countries were the easiest to categorize as educational regimes. Respectively, they produce the least and most equality in education. The conservative educational regime maintains, and even exacerbates, educational stratification. The social democratic regime has been able to offer comparably higher levels of educational opportunity to students. The Scandinavian approach can be described as equality of outcome in education and equality of condition in society. Ironically, the regime whose logic is based on meritocratic equality of opportunity, the liberal educational regime, was a middle achiever in terms of indicators of equality in its education systems, which is likely due to the average between the achievement equality super-performers, Canada and Ireland, and the low achievers, the US and the UK. Educational outcomes of the Mediterranean countries were generally vague.

Finally, I concluded that the classification of educational regimes must be regarded with the same criticism as any classification. Although they are beneficial in terms of simplifying the complexity of many-country comparisons, the educational regimes are subject to situatedness in time and space.

As already noted, the welfare state framework serves as a valuable tool for understanding the larger social context, ideologies and cultural-historical trajectories that impact the educational outcomes and level of educational equality in countries at a regime-level. There is a lot to be studied further. Dupriez and Dumay (2006, 246) posed a question which they themselves deem cannot be satisfactorily answered:

To what extent is the egalitarian nature of (...) school systems the effect of the schools, partly attributable to the structure of the school system, and to what extent is it the effect of the social structure, attributable to the social characteristics of the countries in question?

They come to the conclusion that it is probably the whole array of these characteristics that forms the particular results of equality of educational opportunity. Peter et al. (2010, 242) state that disparities in the educational achievement and attainment of children are likely to be a combination of factors resulting from social inequality, as in differences in families' economic, social and cultural resources, as well as from the particular institutional ar-

rangements within a country such as the linkages between education, the job market and social security, as well as the education system itself. It is difficult to decipher what differences in results in educational achievement between countries result from educational practices, social values and how much it is a result of differences in other social factors such as the SES of families or school quality (Powell 2007, 4). Nevertheless, Powell concludes that educational outcomes are determined by multiple social phenomena “*that are imbedded within institutions and social contexts that vary by country*”. (Powell 2007, 3).

Future research could identify, analyze and explain similarities and differences across welfare state regime social policies and their implications to educational equality. The basic hypothesis in most of the literature is that the countries with the most extensive social policy coverage i.e., the Social-Democratic Nordic countries, have the most egalitarian school systems and vice versa, but the connections between the two are rarely explicated. Presupposing that there are connections, I would like to study which of those policies are the most meaningful with regard to educational equality.



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