



# The University in the Making of the Welfare State

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# Introduction

*It is a political act for the university to support the government in its normal functions. It is a political act for the university to be indifferent to the government. It is a political act for the university to oppose the government. However it acts in relation to the government, the university is engaged in politics. The significant question, therefore, is what political policy the university has and ought to have at any given moment.*

Immanuel Wallerstein, *University in Turmoil*, 1969

For anyone involved in today's research university, it is no news that the aca-deme is under transformation. Indeed, as those old enough to remember may recall, that has been the case for decades already. If the university has ever been an ivory tower offering unbroken concentration and solitude, those days are cer-tainly long gone.

Written in the midst of Finnish academic turmoil similar to the one now ex-perienced by most European countries, this book grew out of the need to better understand the historical background of the present situation rife with controver-sy. Along the seemingly endless wave of reforms, advocates and opponents have leaned on diverse interpretations of the past, sometimes getting entangled in the polities of memory that often tend to either demonize or idealize the bygone times. While some affirm the recent reforms as "the best thing that has happened to the universities since their foundation,"<sup>1</sup> others see them as a signal of the in-evitable marketization of academic institutions that corrupts the core academic principles and ruins the university.<sup>2</sup>

Since the education system has been a cornerstone of the Nordic welfare state regime, the conflicting interpretations of the past, present, and future of the uni-versity have been closely linked with the wider debate on the welfare state in the Nordic countries. According to critics, the bureaucratic state apparatus with its control system and centralized planning has constrained individual freedom, creativity, and entrepreneurial spirit, which has resulted in the mediocre "mass university" that leaves no room for world-class talents. The adoption of mana-gerial and entrepreneurial steering mechanisms, such as performance-based sala-

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1 The former Finnish minister of education Henna Virkkunen, cited in *Helsingin Sanomat*, February 20, 2009, "Uusi yliopistolaki sai huutia mielenosoituksessa marssineilta" [The new Universities Act panned by demonstrators].

2 *Helsingin Sanomat*, February 27, 2009, "Yliopistolaki hajotti sekä hallituksen että oppo-sition" [Government and opposition split over Universities Act].

ry systems and quality assessments, is touted as a great leap forwards by its advocates. On the other hand, the supporters of the welfare system emphasize the crucial role of the interventionist state and the generous benefit systems in the decommodification of social relations, considering education at all levels a human right and a public good that is indispensable for both a democratic citizenship and the professional and public service ethos. In their eyes, the spread of “academic capitalism” indicates a major cultural change, with education conceptualized as just another commodity for sale in the market place.<sup>3</sup>

However, as some scholars have pointed out, arguments positing a radical shift are typically scenarios and diagnoses of the era rather than arguments based on consistent empirical findings or theories that could be tested against empirical data. In many cases, they take a stand for or against a particular political agenda rather than describe and analyze the actual changes.<sup>4</sup> The same applies to the interpretations of the past, often accompanied by partisan engagement that strives to legitimize or dispute the past reforms instead of analyzing their historicity in all its complexity. Moreover, the competing perspectives on the past sometimes reflect the tensions of the present more than anything else. For instance, the 1989–91 collapse of the Soviet Bloc generated in Finland a heated, extremely polarized, and still ongoing debate on the previous decades which have been labeled either as “the Golden Age of welfare” or “the era of stagnation,” depending on the point of view. While the public discussion focuses on the character of the supposedly epoch-making turning points, it easily dismisses complex continuities and depicts the past more uniform than it actually has been.<sup>5</sup>

The main objective of this book is to study the transformation of the Finnish research universities after the Second World War in the larger framework of the Nordic welfare state regime. The notion of a “Nordic model” is based on the famous categorization by the sociologist Gøsta Esping-Andersen, defining three distinct welfare regime types: the liberal or Anglo-Saxon, the conservative or continental European, and the “social democratic” or Scandinavian. Inspired by the economic historian Karl Polanyi, Esping-Andersen uses the degree of “decommodification” as the decisive measure of the degree to which the social rights in a given society permit people to achieve a decent standard of living outside the sphere of pure market forces.<sup>6</sup>

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3 E.g. Ahonen 2002, pp. 176–179; Patomäki 2005; on international level, see also Taylor et al. 2006, p. 91.

4 Deem 2001, p. 17; Krücken 2003, p. 334; Hakala 2009, pp. 35–36.

5 Kettunen 2005, pp. 3–4; Kirby 2006, pp. 272–275; concerning the university, see also Ylijoki 2005.

6 Esping-Andersen 1990, pp. 3, 26–29, 77.

Although Esping-Andersen's typology has been a subject of intense debate,<sup>7</sup> scholars commonly agree that the Nordic countries share certain features that justify the conception of a "Nordic welfare state regime." Above all, this includes the crucial role of the state in the provision of welfare benefits and a certain basic level of educational services that are comprehensive and universal, in other words, that cover the entire population of a given country and are principally financed out of general taxation.<sup>8</sup> However, as emphasized by the historian Mary Hilson, a substantial part of the power of the Nordic welfare regime derives from its role as a discourse, "a trope of Nordic identity." As such, regardless of whether a distinct "Nordic welfare regime" in the proper sense has ever existed or whether it has merely been a variation on common European patterns and themes, it has remained a powerful reality as the political and ideological discourse throughout the period in question.<sup>9</sup>

The main focus of this book is the role of the university<sup>10</sup> as a crucial agent of social change in the making of the Nordic welfare state regime. The starting point of my discussion is the educationalist Torsten Husén's notion that educational reforms are ultimately social reforms and should be analyzed as such, without limiting the study to the changes in pedagogic or didactic principles.<sup>11</sup> On the one hand, I will examine the university as an object and a tool for diverse politically and ideologically motivated actions intended to incorporate higher education into the machinery of the welfare state. On the other hand, I examine how various interest groups produced, maintained, or opposed certain lines of thought, structures, and practices. I wish to draw attention to the heterogeneity of actors, forces, and organizations and to the heterogeneity of their exercise of power, strategies, hoped-for goals, and conflicts between them. From this conflict perspective, both the university and the Nordic welfare state regime appear as loci of a struggle, the outcome of which remains contested.

As my empirical case study, I focus on Finland where the building of the modern welfare state started in the latter part of the 1950s and, particularly, on the Finnish university degree reform initiated in the mid-1960s and finally carried through after a bitter and prolonged power struggle in 1980. Of special interest is the discussion about the degrees at the Faculty of Humanities and the Faculty of Social Sciences, since that is what started and ended the whole

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7 See e.g. Christiansen & Markkola 2006, pp. 12–14.

8 Hilson 2008, pp. 90–91.

9 Hilson 2008, pp. 54–55, 114; see also Østergård 1997, pp. 29–30.

10 In this book, I will use "university" and "higher education" as synonyms. Although I am aware of the differences between them, in Finland during the period in question, the universities had a monopoly on higher education, since the system of polytechnics (*ammattikorkeakoulu*) was established only in the early 1990s; see also Rinne 2010, p. 91.

11 Husén 1998, p. 101. This does not mean that I would like to undermine the importance of pedagogic and didactic principles. However, they are not the main concerns of my study.

reform. I had two reasons for choosing this particular reform. Firstly, it is a part of a general reform wave across the OECD countries.<sup>12</sup> These reforms were based on the interventionist point of view in which higher education was increasingly seen as a crucial tool for solving general problems of society and realizing long-term political goals. Consequently, the level of conflicts rocketed, creating wide fronts of interests that aimed at influencing the university according to their respective societal and political purposes. While the welfare state development arguably reached its international high point in the early 1970s, descending into a crisis after the collapse of the Bretton Woods system, the 1973 Oil Crisis, and the neoliberal turn in politics,<sup>13</sup> the time span of the Finnish degree reform offers an opportunity to trace “the rise and fall” of the welfare state ideology in the field of higher education.

Secondly, the Finnish university degree reform provides a vantage point for questioning some views of the postwar development in higher education that are often taken for granted. By this, I refer to the functionalist approaches based on grand abstractions and general transformation theses. In their most straightforward versions, the postwar expansion of the university is merely seen as an inevitable adaptation to the demographic pressure of the baby-boom generation and the growing complexity of modern society. However, as argued by the social scientist Björn Wittrock, sweeping functionalist generalizations are unable to account for the actual historical processes of creating and restructuring institutions against the backdrop of particular intellectual, cultural, and institutional traditions which have altered the shape of modern universities in a decisive fashion. For instance, functionalism has little to say to the question of why the US trends favored diversification and pluralism, whereas the situation in the Nordic countries was quite the opposite, leaning toward centralization and uniformity.<sup>14</sup> Such one-sided focus on similarities and convergence, often stemming from Anglo-American experiences, carries a danger of neglecting important regional and local differences.<sup>15</sup>

For an examination of the local–global axis in the development of universities, Finland arguably makes an intriguing case, since comparative and cross-national dimensions were brought to the fore in the Finnish postwar educational reforms. For instance, when the Finnish experts in the 1960s demanded a “cultural policy revival” within education and extensive reforms in all its sectors, including the university, they leaned strongly on international comparisons: on the

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12 See e.g. Leibfried 1968; Lindensjö 1981; Scott 1984; Readings 1996.

13 As an example of this periodization, see Hobsbawm 1996, pp. 256–263; Judd 2007, p. 453 and *passim*.

14 For criticism of functionalism in higher education research, see Wittrock 1993.

15 See Krücken 2003, pp. 334–335.

experiences of the OECD countries in general and their Nordic neighbors in particular.<sup>16</sup>

This mode of thought and action, typical of the Finnish reformers as early as a century ago, is described by the historian Pauli Kettunen as “an eclectic avant-gardism of the educated elite in a peripheral country.” In this strategy, the elite consciously adopted the dichotomy of the centre and the periphery to exploit “the benefits of backwardness.” It became the national mission of various professional groups to acquire transnational knowledge through their international contacts, so as to gain a comparative perspective by which to evaluate the applicability of such knowledge to the domestic context.<sup>17</sup>

The same controversiality holds true for “the idea of a university.” On the one hand, we may justly distinguish a strong element of continuity, as some features of present-day research universities still resemble the ones established at the universities of Europe’s High Middle Ages, that is, the twelfth and thirteenth centuries. Above all, they were strongly pedagogical institutions with intellectual authority separated from the political power on which they depended. However, it is certainly not an unbroken chain of events that leads us from these medieval precursors to modern research universities. As the educationalist Peter Scott pointedly puts it, three centuries of neglect, decay, and dogma separate the universities of medieval Europe from the restored and considerably extended universities of the modern era emerged since the late eighteenth century.<sup>18</sup> Nevertheless, through it all, the university’s function as a transmitter of cultural heritage and a reproducer of professions continued. It was only in the late nineteenth century, together with the breakthrough of the natural sciences and the adoption of a critical-empirical approach as a model also for the humanities, that the notion of the university as a research-oriented institution producing primary knowledge becomes predominant. Even then, the older layers did not disappear entirely but rather resulted in a hybrid, bearing witness to quite divergent legacies.<sup>19</sup> We may thereby agree with the historian Seldon Rothblatt as he argues that in some 800 years of history, the university as an institution has served so many different cultures and societies that no single, essential idea of a university exists, although in some periods fewer alternatives have been available.<sup>20</sup>

During periods of ardent disputes and extensive reforms in higher education, such as the postwar era in the Western countries, the debate on a guiding conception of the university has come to a head. Regardless of the explicitness by which the parties have been able or willing to articulate themselves, all efforts to

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16 See e.g. Numminen 1964.

17 Kettunen 2001a, pp. 232–233; Kettunen 2006, pp. 37–38, 55–59; see also Stråth & Sørensen 1997, p. 21.

18 Scott 1984, pp. 25–28.

19 Scott 1984, pp. 28–32, 54–55; Wittrock 1993, pp. 303–305.

20 Rothblatt 1997, pp. 1–2.

reshape the university or stop reforms in their tracks have relied by necessity on some idea of its form or mission. As Björn Wittrock notices, these ideas are no free-floating, ahistorical quasi-platonic abstractions but are rooted in the experiences, traditions, and life-worlds of individuals with their memories, hopes, and attachments. As a result, reforms do not occur as an automatic response to, say, social differentiation or the process of modernization. Instead, they are intertwined with the contested and competing ideas about what the university is and ought to be in a particular place at a particular time. These ideas, in their part, are connected with wider ethical, political, and ideological views, shaped by the range of possibility and constraint facing the actors at a given moment. In other words, far from being detached from the crucial societal and political changes, the university reforms in postwar Europe arguably provide an insight into the constitutive tensions of the modern era in the midst of which the university has acted as an “axial institution,” occupying a position at the crossroads of major transformations.<sup>21</sup>

All things considered, the present book is, first and foremost, a historical inquiry into its subject. Thus, perhaps typical of history as an academic discipline, this book has no grand theory, model, or explanation to offer. Its aim is, more modestly, to remind the reader of the complexity and variety of human experiences and institutions, which general transformation theses and agentless abstractions often tend to simplify.<sup>22</sup> However, with my 25 years of personal experience on university reforms in various European countries, I venture to say that the Finnish university degree reform of the 1960s and the 1970s, despite its obvious idiosyncrasies, does indeed highlight some features that are fairly common to the university reforms in general. While I will return to the “lessons of history” in more detail in the end of this book, I wish to briefly point out the most apparent one: that university reforms have a tendency to result in something that has not been intended by any of the parties involved.

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21 Wittrock 1993, p. 305; see also Perkin 1984, p. 42; Rothblatt 1997, p. 3.

22 See the discussion in Burke 2005, pp. 188–189.