

Chapter 3

Finland: Changing Operational Environment Changing Finnish Educational Governance



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Abstract The main purpose of this chapter is to examine how Finland is developing its educational governance to meet the challenges of its changing operational environment. For our examination, we applied two theoretical frameworks on education policy development. The one constructed in the Comparative Analysis of Dynamics in Education Politics Project (CADEP) by Simola, Kauko, Varjo, Kalalahti and Sahlström (Dynamics in education politics. Understanding and explaining the Finnish case. Routledge, Oxon and New York, 2017) provided us with the theoretical lenses of political situations, political possibilities and politicking, as well as with valuable contextual information. The one for the Policy Enactments in the Secondary School Project (PESSP) by Ball, Maguire and Braun (How schools do policy, policy enactment in secondary schools. Routledge, Oxon and New York, 2012) complemented the CADEP framework with valuable concepts for analysis, like interpretation/translation and implementation/enactment. Applying these theoretical frameworks, we were able to examine and describe the evolvement of Finnish state and local educational institutions and their relationship from the centralised, norm-based and system-oriented governance into a decentralised, information-based and result-oriented one. We could identify incidents of path dependence, convergence and contingency, as well as manifestations of power. In addition, the distinction between interpretation/translation and implementation/enactment proved purposeful for understanding education policy development.

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3.1 Theoretical Lens for Examining Development of Finnish Educational Governance

According to Risku et al. (2014), educational governance in Finland began to alter radically in the 1990s due to dramatic economic, demographic and ideological challenges in the operational environment. Following the overall societal development, the Finnish centralised, norm-based and system-oriented governance for education was rapidly and fundamentally transformed into a decentralised, information-based and result-oriented one (Risku 2014). In this chapter, we examine how this change has affected state and local educational institutions and their relationship with a particular focus on the changing operational environment.

Our examination is based on two theoretical frameworks on education policy development. They both regard the operational environment as complex and dynamic thus corresponding to our conception of the operational environment in Finland. The theoretical lens of the Comparative Analysis of Dynamics in Education Politics project (CADEP), as presented by Simola et al. (2017), centres on the relationship between the transnational and national level. The one of the Policy Enactments in the Secondary School Project (PESSP), as outlined by Ball et al. (2012), focuses on the one between the national and school level.

Simola and associates (2017) regard Finland different, perhaps even as an outlier. This is particularly evident as they describe the involvement of the Finnish society. Their view on Finland corresponds to international surveys and reports, where Finland frequently shows deviant characteristics. According to Risku et al. (2016), one may recognise similar transnational trends as in most countries, but, compared to the mainstream, these trends appear to date slightly later and manifest themselves somewhat differently in Finland.

Simola and associates (2017, pp. 10–12; 40–41) strongly link Finland's peculiarity with policy development's *path dependence*. According to its broad definition (Sewell 1996, pp. 262–263), path dependence means that 'what happened at an earlier point in time will affect the possible outcomes of a sequence of events occurring at a later point in time'. The narrow definition (Levi 1997; Pierson 2000) adds to the broad one that once a path has been chosen, it becomes difficult to exit it and to return to an earlier alternative path, or to decide for a new one. Among other things, one would have to abandon or rework the already established new structures, processes and practices.

Ball and colleagues (2012, pp. 21–39) do not deal explicitly with path dependence but implicitly refer to it, when stressing the importance of *context* for education policy development. They claim that most policy research on education has been neglecting its impact. In accordance with path dependence, they contend that schools' education policies are determined by their contexts, and that all schools have their own peculiar ones, which makes them and their education policy processes divergent, too.

Simola and associates' (2017) views on context coherently correspond and add to Ball and colleagues' (2012) arguments. In addition to path dependence, they

present *convergence* (pp. 10–12) and *contingency* (pp. 12–14) as theoretical lenses to examine education policy development.

When dealing with convergence, they rely on classical definitions that, in essence, convey the following. Convergence is a belief of the existence of ‘one best way’ (Mintzberg 1979, p. 279) and ‘the tendency of societies to grow more alike, to develop similarities in structures, processes, and performances’ (Kerr 1983, p. 3). In addition, convergence is concerned ‘with processes rather than results’ (Knill 2005, p. 766).

What Simola and associates (2017) raise up (c.f. Green 1999) is that one can find convergence within Europe on broad themes like decentralisation of regulation, and increasing quality insurance and evaluation. However, convergence does not appear to extend itself to structures and processes. Furthermore, in transnational contexts, the state still appears to have the dominant role also in those countries (notably England, Sweden and USA) where the numbers of state-funded independent schools have been growing.

According to Burrell and Morgan (1979), the contingency theory of organisation was first presented explicitly by Lawrence and Lorsch (1967). They regarded organisations as open systems that followed the contingences of their internal and external environments. In addition, they believed these contingences to establish interrelated networks that were peculiar for each organisation. Due to this peculiarity, they also considered that there were no universal ways to arrange organisations; neither would organisations necessarily behave identically in similar situations.

Simola and associates (2017) view the present operational environment as uncertain and ambivalent, and consider it to comprise space for working on several alternatives. They call this space *Spielraum* (p. 13), and regard it relational in the manner Emirbayer (1997, p. 287) defines relativity: ‘the very terms or units involved in a transaction derive their meaning, significance and identity from the (changing) functional roles they play within that transaction’.

In addition, they propose that this relativity presupposes including the element of power in their CADEP theoretical framework. Furthermore, they base their understanding of power on Heiskala’s (2001, p. 259) conception of power as ‘a synthetic conception’, according to which research on power should focus both on actors and their resources (resource approach), and on their relationships (structural approach).

Ball and colleagues (2012, p. 13), too, identify power as an essential element in the ‘analysis and conceptualisation of the policy process’. We also believe that their view of power as ‘situated and relational’ well corresponds to that of Heiskala (Ibid).

Following Simola and associates’ (2017) theoretical framework for the CADEP, we focused on *political situations*, *political possibilities* and *politicking* peculiar to Finland in our examination. This approach, we complemented with several of the scopes, elements and concepts within the PESSP theoretical framework, as presented by Ball and colleagues (2012).

In alignment with the approach of both the CADEP and PESSP, we studied the relationship of state and local educational institutions as part of the overall societal political situation in Finland. According to Simola and associates (2017, p. 19), the examination of the big picture is vital for the identification of the ‘opportune

moment' for political change. Amongst others, Risku (2014) and Tian and Risku (2019) explicitly state that the Finnish education policy tends to follow the general societal policy in Finland. Furthermore, especially during the last decades the focus in Finland has been on other areas, particularly on health and social services, where both policy and institutional reforms have taken place first (Kanervio and Risku 2009; Niemelä 2008).

In accordance with Simola and associates (2017, p. 18), we regarded political possibilities to 'concern how actors find and create different alternatives for acting "otherwise"'. Ball and colleagues (2012) convey similar views through their conception of what different needs, goals and alternatives various contexts and their different interpretations create.

When examining the various political possibilities for the relationship between state and local educational institutions, we particularly focused on how they appeared to manifest themselves, when applying the theoretical lenses of *path dependence*, *convergence* and *contingency*, as presented earlier. While doing this, we regarded the political situation as complex and dynamic.

Following Simola and associates (2017) and supported by Ball and colleagues (2012), we regarded policies for developing state and local educational institutions as cyclical processes, where political situations restrict political possibilities; and in return, political possibilities change political situations. In this setting, we understood politicking as how the cyclical processes took place. As earlier described, politicking explicitly includes power, and we applied Heiskala's (2001) synthetic conception for this examination, as adopted for the CADEP. Thus, we tried to identify the key actors and institutions as well as their resources, and study their relationships.

Applying concepts by Ball and colleagues (2012, pp. 8–13), politicking can be understood as how the various actors and institutions *interpret* and *translate* the political situation and its possibilities. Ball and colleagues make a clear distinction between these two. With interpretation, they refer to how actors and institutions make sense of policies and, with translation, to how they try to *implement* or *enact* them (see also Moos et al. 2016).

Ball and colleagues (2012) also explicitly separate the concepts of implementation and enactment from each other. They regard implementation as a concept for stable operational environments in which (most often) the top of the hierarchy comes up with a normative policy text with one plausible solution and with the expectation of all to execute it. They also believe that implementation, as a policy strategy, no longer suffices the present operational environment, but typically ends with something else than what was targeted. For them, the concept of enactment better corresponds to the current complex and changing operational environment. They consider it to view policy processes as dynamic and non-linear, as they think they are or at least should be today. All the four concepts appeared purposeful for our study, so we decided to apply also them as theoretical lenses for our examination.

3.2 The Present Governance Structure for Education in Finland

Simola and associates (2017) describe the present political situation of Finland as carrying the legacy of Finland being geo-politically peripheral and socially flat, as well as evolving behind the mainstream with societal reforms and experiencing very recent societal developments. Their views correspond, for example, with those of Risku (2014) on the history of Finnish education policy.

Applying the principle of the political situation restricting political possibilities, Simola and associates (2017, p. 23) stress that ‘the Nordic politico-administrative culture and a strong tendency towards societal consensus’ significantly determine political possibilities in Finland. Based on Katajala (2002), they explain that one of the main reasons for Finland having been able to enjoy rather tranquil internal societal evolution is due to the Nordic tendency to advance peaceful legislative and political policy-making instead of aggressive measures. This they believe, in essence, has created the foundation for Finns’ confidence in societal institutions, and the belief in the ideology of corporatism. Corporatism in the Finnish setting is defined as Government’s recognition of various societal actors’ and institutions’ legitimacy to rule their own fields, and as the practice to include them in political decision-making.

Regarding the Spielraum for politicking, Simola and associates (2017) emphasise the recent societal evolutions in Finland. They consider that, on the Nordic and European level, Finland’s urbanisation, economic and cultural opening-up, as well as the ‘after centuries of misery ... unbelievable success story’ (p. 30) are very recent and rapidly implemented phenomena. They particularly stress the significance of the economic depression of the 1990s and of the economic recession since 2008 leading to consistent cuts on public expenditure, and thus creating ‘opportune moments’ for changes as well as restricting the possibilities for the changes.

Applying the theoretical lens of politicking for identifying the relevant actors and institutions and how they act, we could recognise four separate lines of governance for the education system, as presented in Fig. 3.1 (Risku 2018). They comprise of the governance lines for the state, local authorities, labour market organisations, and civic organisations. Particularly from the perspective of education policy, we regard their entity as the actual governance structure for the Finnish education system. The structure appears to include noteworthy characteristics of corporatism, which conception strengthens as we examine the structure in more detail.

The first line from the left stands for state governance, and it is the one usually presented, when dealing with the governance of the Finnish education system. However, local authorities presented in the second line are also recognised actors in the processes of politicking, secured by the Constitution of Finland (1999/731) and Municipal Act (2015/410). We justify the third line for labour market organisations with the fact that Finland applies the Nordic welfare state model practising the tri-lateral cooperation of the state, and the employee and employer labour market

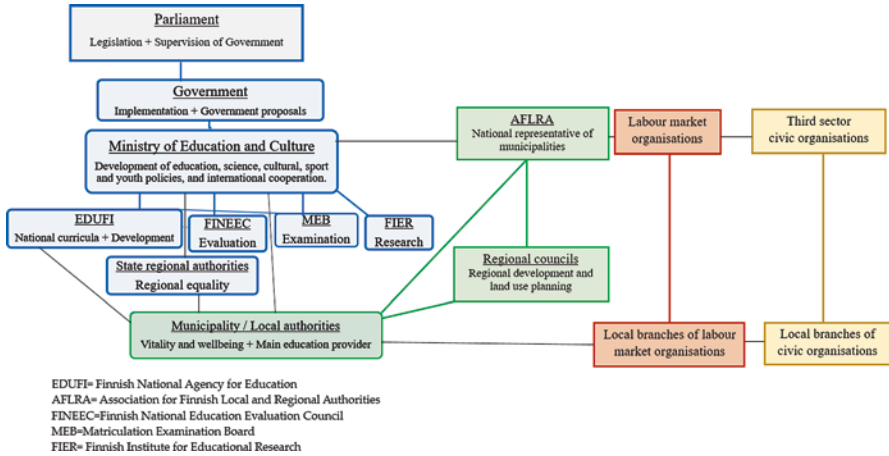


Fig. 3.1 Governance structure for Finnish education system. (Risku 2018)

organisations (Pusa 1997). We decided to include the fourth line for the third sector in our governance structure, although, for example, Pusa (Ibid) and Simola and associates (2017) consider the role of civic organisations weak in the state-centred Finnish welfare state. There were three main reasons for our decision. First, the Finnish welfare state has been moving from the welfare state model to the welfare society one that stresses citizens’ own responsibility for themselves, hence strengthening the role of civic organisations (Jokinen and Saaristo 2006; Pusa, Ibid). Second, for example, Risku et al. (2012) as well as Tian and Risku (2019) have shown that there is increasing civic interest to participate in education policy development in Finland. Third, we could even have included a fifth line to represent non-organised fourth sector civic activists (see e.g. Faehnle and Mäenpää 2017).

All the four lines of governance, in one way or another, include the local, regional, national and transnational level. For example in the labour market organisations line, teachers usually are members of their local trade union associations. These commonly cooperate on the regional level, and sometimes even form regional associations. Every local and regional trade union association is a member of the national Trade Union for Education (OAJ). It, in turn, is a member of, among others, the transnational European Trade Union Committee for Education (ETUCE).

In principle, having actors and institutions on the various levels enables dialogue on each level amongst the corresponding representatives of the four governance lines. However, the operational environment appears much more complex and dynamic.

Firstly, the governance lines do not have equally sufficient representation for the dialogue on all levels. For example, the state line has in practice no local representation, and the one on the regional level does not correspond with the governance line of local authorities. Nyholm et al. (2017a, b) regard present Finnish governance two-tiered: central (national) and local government. Hence, local and national educational actors and institutions typically interact direct with each other.

Secondly, whatever actor or institution in whichever line of governance on whichever level may interact with whatever actor or institution. This also commonly appears to take place. For example, Simola and associates (2017, pp. 57–58) report on two ‘competing coalitions’ being established as an outcome of recent ‘radical decentralisation and deregulation’. The coalition of the Ministry of Education and the National Agency for Education view education policy from the perspective of the education system and educational legislation. The coalition of the Ministry of Interior, Ministry of Finance and the Association of Finnish Local and Regional Authorities look at education policy focusing on the municipal service provision and legislation. Following Risku and associates (2014), we can include local education boards and schools in the former coalition, and local executive boards and municipal directors in the latter. In addition, local education boards commonly find competing coalitions in local health and social care boards.

Thirdly, the loose coupling in the governance structure allows bypasses of hierarchy in the governance lines (see Johansson et al. 2014; Paulsen et al. 2016). For example, Norris et al. (1996) reported direct cooperation between the National Board of Education and local schools bypassing local education offices, when constructing and enacting the 1994 core curriculum reform.

3.3 The Post-Millennium Evolvement of the Governance Structure for Education in Finland

When examining the evolvement of the Finnish governance structure for education in the 2000s, one first has to look at the political situations, possibilities and politicking at the end of the 1900s. Particularly, the 1970s and 1980s were a period, when Finland rapidly pushed through radical societal reforms for the modern welfare state, which process the other Nordic countries initiated and implemented somewhat earlier (Siltala 2017; Simola et al. 2017). To ensure the successful implementation of the reforms, the state expanded its centralised, norm-based and system-oriented administration (including personnel) on all levels leaving very little space for local interpretation and translation (Risku 2014). In addition, the state subsidy system was developed so that the state increasingly covered for the costs of public services with earmarked funding, the spending of which had to be minutely reported to state authorities (Aho et al. 2006).

During the late 1980s, the economic, demographic and ideological evolvement started to challenge all that had just been implemented. Due to the 1990s economic depression, the established societal structures could not handle the growing challenges on the political situation (Risku et al. 2014). In addition, the depression together with the rest of the political situation significantly restricted political possibilities and, in accordance with path dependency, set Finland off on a path that it is still strolling.

In the midst of the 1990s depression, Finland joined the European Union in 1995 thus starting the path to open up its economic, societal and cultural development. This opening up also applied to transnational ideologies, although Finland adopted these ideologies somewhat later than, for example, other Nordic countries. (Simola et al. 2017). Thus, the transnational ideologies reached Finland at a different point of time in comparison to its neighbours, and, the political situation and its possibilities differed in other ways, too. Particularly the economic and demographic challenges characterised the Finnish operational environment (Risku 2014; Risku et al. 2014).

After a long period of Left-Centre coalition governments, Finland in 1987 got a Right-Left one, which opened up the path for the Conservative Party also in following cabinets (Simola et al. 2017). Hence, governments have been inclined to the transnational ideologies of neo-liberalism and the New Public Management, which has significantly affected the Spielraum and politicking. In addition, the transnational ideology of democratic individualism began to get a strong foothold in Finland (Risku et al. 2014; Ryyänänen 2004). As political possibilities, these ideological trends suited well in the overall political situation in relation to Finnish people's willingness, society's readiness and the economic situation's need to decentralise governance.

Typical of Finnish politicking, the centralised, norm-based and system-oriented state governance rapidly implemented the decentralisation (Simola et al. 2017). At the end of the 1990s, Finland was ruled by a decentralised, information-based and result-oriented governance.

The radical reversal in fundamental ways transformed the relationship between state and local authorities and institutions. In fact, Finland has been consistently trying to balance the relationship since the 1990s (Risku et al. 2014). At least partly due to the depression, the reversal included a substantial rundown of state and local institutions and their personnel. In the field of education, the rundown especially affected the National Board of Education and Provincial State Offices. (Risku 2014). Already in 1990–1995, the number of people working in educational administration outside of schools dropped by 40% (Hirvi 1996). Norris and associates' (1996) observations on the inadequacy of resources of the National Board of Education and local education offices for their tasks have been repeated in several studies (e.g. Rajanen 2000; Kanervio and Risku 2009).

In addition to decentralisation, Finland showed convergence by following the transnational trend to deregulate by discontinuing the pre-inspection of textbooks in 1983, moving into a two-tier system of national core and local curricula in 1985, ending school inspection in 1988 and abandoning regulation for classes and their sizes, except for special education, in 1985. Regulations and inspections were to be replaced with information, evaluation and later result steering, the development of which has been significantly hampered by cuts on personnel in educational administration. This, in addition to the tradition of trust, has affected the Finnish quality and evaluation policy, which has not been following the transnational mainstream (Kanervio and Risku 2009; Lapiolahti 2007; Laukkanen 1998; Risku 2014; Simola et al. 2017; Tian and Risku 2019).

In alignment with the New Public Management and strengthened by the economic distresses, the streamlining of state governance and the decrease of personnel in state administration have continued during the 2000s (Government 2003, 2007) following the Nordic trend (Simola et al. 2017). In the field of education, particularly the roles and structures of the national and regional agencies on curriculum, development and evaluation work have met with several changes.

During the most recent rearrangements, the Centre for International Mobility (CIMO) was merged with the National Agency for Education (EDUFI). The previously three separate national education evaluation agencies for general, vocational and higher education were merged into one Finnish National Education Evaluation Centre (FINEEC). As part of this merge, the evaluation of learning outcomes was transferred from EDUFI to FINEEC.

The 19 State Provincial Offices that were so powerful in the 1970s have been reduced to six State Regional Administrative Agencies. Following the report by the Ministry of Finance (2015), the Government had the plan to merge these with the state TE Offices for public employment and business services (KEHA-keskus), National Supervisory Authority for Welfare and Health (Valvira), and Farmer's Social Insurance Institution (MELA) into a new national State Licence and Supervision Agency (Luova) in 2020 (Government n.d.-b).

The State Licence and Supervision Agency well illustrates the present Finnish trend to both streamline state governance and to rearrange it to meet better with the challenges of the complex and dynamic operational environment. Regarding streamlining, several state agencies were to be merged into one that had its central administration in the capital and service offices close-by to the clients in the various regions of Finland (Government n.d.-b). To correspond better to the complex and dynamic operational environment, the agency was to be cross-sectional and steered by eight ministries (Government 2018). Following Kofod, Johansson, Paulsen and Risku (2016, p. 242), we can call this process as *deconcentration*, where the central administration possesses the power and steers how its internal regional units implement the policies.

Despite the rearrangement of the relationship between state and local authorities and institutions into decentralised structures since the 1990s, Finland also appears to have strengthened its centralised state governance structures and increased concentration. For example, Simola and associates (2017) argue that Finland has maintained a more state-centralised approach than the other Nordic countries. Hargreaves and Shirley (2009) present Finland as a model example of a nation that is steered from the top and constructed from the bottom. Applying the CADEP synthetic conception of power, we identify a trend to concentrate policy-making in the capital and closely under the steering of the ministries and their ministers. In the field of education and in addition to the planned abolishment of State Regional Administrative Agencies, the Finnish Institute for Educational Research (FIER) attached to the University of Jyväskylä appears as the only independent state agency outside of the capital.

3.4 Concentrating State Agencies' Mission, Place and Importance in the Governance System

As with all state matters in Finland, Parliament holds the supreme power and authority. Hence, all the fundamental matters on education have to be handled and approved by it. Its primary tasks are to enact legislation and to approve the State Budget. It also elects the Prime Minister and oversees the Government. Regarding transnational issues, it ratifies international treaties and influences European Union matters. (Constitution of Finland 1999/731; Parliament n.d.-a).

An essential part of Parliament's work takes place in Committees. There is one committee for each ministry. In the field of education, Education Committee handles matters and legislative reforms. It conducts constant dialogues with representatives from the Ministry of Education and invites experts to support its work. (Parliament n.d.-b)

The dual-body Government is responsible for the overall governing of the nation and constitutes a decision-making body for governmental and administrative matters. The Government and its ministries also prepare most acts passed by the Parliament and, unlike in most European Union member countries, follow, outline and coordinate Finnish EU policy. (Government n.d.-a, n.d.-c; Government Rules of Procedure 2003/262).

Finnish governments are in practice always coalition cabinets that have the majority in the Parliament. Hence, they are powerful actors in politicking. Coalition cabinets are constructed through negotiations where various parliamentary groups present their views and try to get as many of their goals as possible in the Government Programme. (Government n.d.-d; Government Rules of Procedure 2003/262).

Government programmes are always compromises and syntheses, as well as powerful policy documents steering the work of both the Government and Parliament, and difficult to alter. The 2015 Government Programme was less detailed than the previous ones in order to meet better with the complex and dynamic political situation and its political possibilities. Hence, it left more space for the Government. It was also updated regularly, and it applied the Government's key projects as central tools for developing (Government n.d.-e).

The Government Programme, and the Government Proposals for changing legislation, determine how education in Finland is organised, managed and developed. Among other issues (including finance), the Government decides on the overall educational goals, on the school subjects, subject groups, and the distribution of lesson hours (e.g. Basic Education Act 1998/628), licences for higher education providers (e.g. Act for Universities of Applied Sciences 2014/932), and qualifications for various professions (e.g. University Act 2009/558).

The Ministry of Education and Culture answers for the development of education, science, culture, sport and youth policies, and for international cooperation in these fields. (Ministry of Education and Culture n.d.-a; Government Rules of Procedure 2003/262). Regarding the Spielraum for politicking, the dual-body structure of the Government provides the Ministry and particularly its Minister with

significant power in educational matters. Furthermore, as the 2014–2018 Ministry gave up on the tradition of compiling 5-year development plans for education and research, there is more space for spontaneous decisions.

As earlier stated, the 2015–2018 Government applied Government key projects to achieve its goals. The overall goal of the Ministry of Education was set for year 2025, and the efforts comprised of six key projects (Government [n.d.-f](#)). The Ministry regularly opened competitive biddings to apply for funding to advance its key projects (see Ministry of Education and Culture [n.d.-b](#)) Particularly as 2015–2018 Government made remarkable cuts on the funding of all education forms, the key projects constituted essential funding for all institutions and providers of education, and were hence powerful tools for politicking.

The Ministry of Education steers four national agencies that serve its operations, as presented in Fig. 3.1 (Risku 2018). They all have important roles in their mission areas.

First, the National Agency for Education (EDUFI, formerly the National Board of Education) answers for national core curricula and the development of all education forms (including early childhood education and care since 2015), except for higher education. It particularly develops education in Finland through national core curricula and with various programmes and projects for developing curricula, education, collaboration and professional development. Hence, it can also significantly influence the development of local schools. Through the merger of the Centre for International Mobility (CIMO), it obtained significant responsibility in international collaboration in education. (EDUFI [n.d.](#)).

Both the national core curricula, and the funding of professional development that is granted based on applications increasingly also to local authorities, private companies and civic organisations, are powerful steering mechanisms. It is important to note that enacted by the Ministry of Education, Government's key projects significantly affect also the National Agency for Education as the implementation agency of the Ministry.

Second, as an outcome of several organisational rearrangements, there is one Finnish Education Evaluation Centre (FINEEC). It is attached to the National Agency of Education as an independent governmental agency that answers for the national evaluation of education. It now evaluates also learning outcomes, which was previously the task of the National Agency for Education. (EDUFI [n.d.](#); FINEEC [n.d.](#)).

Third, the Matriculation Examination Board (MEB) is a governmental bureau responsible for administering, arranging and executing the national high-stake examination for upper secondary students. Its chair and members are nominated by the Ministry of Education and it has an independent status (Matriculation Examination Board [n.d.](#)), but it is formally attached to the National Agency for Education (EDUFI [n.d.](#)).

Finally, the Finnish Institute for Educational Research (FIER) is a scientific multidisciplinary centre for investigating, assessing and developing the Finnish education system and school culture. For example, it conducts the PISA, PIRLS and TIMMS surveys in Finland. As earlier described, it is affiliated to the University of

Jyväskylä with an independent status. (FIER [n.d.](#)). The FIER and the FINEEC provide the Ministry of Education with essential evaluation and research data for planning and decision-making (FIER [n.d.](#); FINEEC [n.d.](#)).

On the regional level, state governance is divided into six State Regional Administrative Agencies. Their mission is to promote regional equality by carrying out legislative executive, steering and supervisory tasks. (State Regional Administrative Authorities [n.d.](#)). As earlier described, the 2015–2018 Government had the plan to merge them into the new national State Licence and Supervision Agency in 2020.

3.5 Future Trends of Finnish Educational Governance

Finnish education policy and hence its institutions tend to follow the overall societal development in Finland (Risku [2014](#); Simola et al. [2017](#); Tian and Risku [2019](#)). During the past few decades, the societal focus has been on the municipal structures as well as on the rearrangement of health and social services (Risku et al. [2014](#)). Although there are consistent discussions and strong claims on equality and keeping the whole country populated (for example, Lehtonen and Aho [2000](#); Siltala [2017](#); Simola et al. [2017](#); YLE [2018a](#), July 23), this is what current societal discussion is and presumably will be focusing on.

Regarding municipal structures, the 2015–2018 Government was pushing through a radical reform to transform the two-tier public administration into a three-tier one by establishing an intermediate level between the national and local one (Nyholm et al. [2017a](#)). If the 2015–2018 Government had succeeded, there would have been 18 new self-governing counties with their Regional Governments since January 12, 2021 (Government [n.d.-g](#)).

Governments one after the other have been trying to rearrange municipal structures since the 1960s without success (YLE [2018b](#) August 1). As earlier described, particularly the 1990s depression and the recession since 2008 have made it impossible to maintain public welfare services with the current municipal structures. Thus, the reform to rearrange municipal structures is fundamentally an attempt to rearrange the provision of public health and social services by transferring them from the local to the county level (Government [n.d.-g](#); Nyholm et al. [2017a](#)).

If reforms like this take place, they will significantly affect the political situation, political possibilities and politicking on the national, regional and local level.

Regarding local authorities, only one of the three basic welfare services, education, would remain their responsibility after reforms like these. However, it appears that local authorities' legislative mission will continue to include advancing the vitality and welfare of their municipalities and their residents as well as to maintain their autonomous status (Municipal Act [2015/410](#)), however, with fewer tools, and less personnel and funding after reforms like these. The Spielraum would include the new Regional Governments as new actors altering the political situation, its possibilities, and politicking.

According to Nyholm and associates (2017b), local authorities have to redefine their missions, and make strategic choices for their profiles together with their residents. They also believe that municipalities and the status of their educational provisions will further differentiate from each other. As for local schools, the strengthening trend appears to be to construct multi-purpose community centres that comprise besides early childhood, comprehensive and upper secondary education, also youth, culture, library and sports services for all ages. Furthermore, these arrangements will have an impact on how municipal education offices are organised.

3.6 Conclusion: The Relationship Between State and Local Educational Institutions and the Application of Theoretical Framework

The modern Finnish welfare state and education system were implemented by a centralised, norm-based and system-oriented governance in the 1970s that left little space for local interpretation and translation. Central administration's agencies constituted an unbroken and extensive line of governance on the national and regional level with extensive resources to instruct and supervise local authorities and institutions. Central administration indisputably had the power, but also bore the responsibility, not least supported with the inclusive state subsidy system.

The economic, demographic and ideological changes that flared in the 1990s and have since continued made the state to reverse its governance into the decentralised, information-based and result-oriented one that continues to administrate Finland. Local authorities rather enact than implement state policies possessing a lot of space for interpretation and translation. Furthermore, state agencies do not affect local schools direct but via local authorities.

Following the New Public Management, central administration's agencies are being streamlined in various ways. Regarding their personnel, they have been weakened both on the national and particularly on the regional level. In addition, there have been plans to concentrate them as cross-sectional agencies with main offices in the capital in direct steering of the ministries and ministers, and with regional service offices to be close-by the clients. The introduction of loose government programmes and abandonment of ministries' development plans and replacing them with spontaneous key projects by the 2015–2018 Government may be a functional solution to meet the complex and dynamic operational environment, but allows the Government, ministries and ministers with more space to manoeuvre, and hence with more power. Following the ideology of corporatism, citizens' involvement in policymaking is increasing, but its impressiveness remains questionable despite illustrative examples of positive impact (e.g. Tian and Risku 2019). We can agree with Simola and associates' (2017) notion of Finland tending to maintain its centralised administration in the midst of its decentralisation.

Successive governments have been able to diminish the number of municipalities and schools, in an effort to establish larger units. However, the pace appears not to be sufficient, and there are still a lot of small municipalities, understaffed local education offices and small schools. Particularly, governments have regarded the units for health and social services too small and inefficient. The 2015–2018 government was working to establish an autonomous regional tier between the central and local level for them, which effort would doubtless have altered the relationship between central and local authorities and institutions.

Local authorities have constitutional autonomy to enact legislations' obligations for them. They appear to apply their autonomy, too, which one can note, for example, on how differently they organise themselves and provide their legislative public services. The Constitution of Finland (1999/731) and Municipal Act allow local authorities significant discretion and thus power in local matters. According to Moos et al. (2016), Finnish governments apply soft social technologies in steering local authorities and educational institutions (see also Simola et al. 2017). However, Kanervio and Risku (2009) and Risku et al. (2014) describe the application of these technologies to have a significant impact on local plans and decision-making, and thus on local schools.

It is essential to note that governments no longer carry similar responsibility for local authorities' financial capacity to provide public services as in the 1970s (Risku et al. 2014). Although international comparisons indicate education in Finland to be of high quality, quality is no longer as committedly supported by the state as it used to be. There is also growing evidence on the damaging effects of financial cuts on education (for example, Lehtonen and Aho 2000). Regarding convergence on quality, Finland has joined the transnational trend of deregulation, but not the trend of increasing quality and accountability supervision.

At the beginning of this chapter, we described neo-liberalism as a transnational ideology that has significantly influenced Finnish policies since the 1990s, but touched this topic little in our examination. Neo-liberalism appears to be somehow hidden and practiced behind the scenes in Finland. Simola and associates (2017) note that in the CADEP interviewees seldom justified their actions or Finnish policies with neo-liberalism. We believe this perception to be common among Finns. However, we would like to adopt a different insight on the matter based on Simola and associates' other finding. Finland tends to adopt transnational trends later than the mainstream takes place. It may very well be that Finland has not reached the crest of the wave yet, and that, typical of Finland, neo-liberalism manifests itself a bit differently from the mainstream.

We applied the theoretical frameworks of the CADEP (Simola et al. 2017) and PESSP (Ball et al. 2012) for our examination on the relationship between Finnish state and local educational institutions. Our investigation first looked at the political situations providing the 'opportune moments' for change after which we focused on the political possibilities and lastly on the politicking to identify the actors, as well as their actions and relationships.

Applying this theoretical tool, we could recognise incidents of path dependence, convergence and contingency as well as manifestations of power. In addition, the

concepts of interpretation/translation and implementation/enactment proved purposeful. We are thus highly thankful for Simola and associates (2017), and Ball and colleagues (2012) for their work on education policy development as well as hope that we were able to bring something useful also to the theoretical foundation they have laid.

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