From universalism to selectivity? The background, discourses and ideas of recent early childhood education and care reforms in Finland

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Janne Autto¹, Marina Lundkvist², Josefine Nyby² and Mikael Nygård²

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Author affiliation: ¹ University of Lapland, Finland, ² Åbo Akademi University, Finland
Abstract

The universal right to public childcare for children under school age has been a central element in Finland since the mid-1990s. This system has been considered successful in many ways, since it has not only facilitated mothers’ employment and promoted gender equality, but also capacitated investments in children’s wellbeing and human capital. In 2015, as a further step in the development of this system, early learning and childhood pedagogy was strengthened through the early childhood education and care (ECEC) reform (statute 580/2015). Some months later, though, the newly enacted legislation was amended as a result of the economic downturn in Finland, so that the previously universal right to full-day ECEC was restricted for children with parents not in full-time employment, education or self-employment (statute 108/2016). These reforms became highly politicised, since they were seen as a peculiar mix of (conflicting) policy recommendations and ideas. On the one hand there was the discourse relating to the need and virtue of investing in children’s development, learning and wellbeing, on the other hand the discourse of financial austerity and cost containments put these policy ambitions in check. This paper discusses this inconsistency by analysing the objectives, framing and ideational drivers of the reforms on the basis of government bills and parliamentary debates. We argue that the reforms can indeed be seen as inconsistent and that the discourse of austerity has superseded the idea of investments in children’s early learning and development. Moreover we observe a partial shift away from the principle of universalism towards a stronger accentuation of conditionality through the restriction of the right to ECEC – something we believe will have negative effects on both the quality of ECEC and increase inequalities in children’s human capital and learning.

Key words: children, reform, early childhood education and care, childcare, Finland
Introduction: background and research questions

The universal right to public childcare for children under school age (in Finland: 7 years of age) has been a central element of Finnish family policy since the 1990s. Not only has this system facilitated mothers’ employment and promoted gender equality, but it has also – together with the one-year-long pre-school period – capacitated investments in children’s wellbeing and learning – something that is often used as a beacon of ‘family friendliness’ (STM, 2013), but also as an explanation to the ‘effectiveness’ of the Finnish education system (e.g. STM, 2007). As a consequence of globalisation, de-industrialisation and technological change a growing accentuation of life-long learning started to emerge in most European countries during the 1990s and 2000s, which brought with it an ambition to invest more intensively in children, their learning, human capital and wellbeing. To some extent, to be sure, this ambition was related to the social investment paradigm (Esping-Andersen et al., 2002; Hemerijck, 2012) and its accentuation of investments in children – something that has become central in the European Union as one of the tools for achieving economic competitiveness and growth. As a result, a wave of early childhood education and care (henceforth ECEC) reforms has emerged in many countries, most notably in Continental-European and Anglo-Saxon countries (Hemerijck, 2013), but also in ‘forerunner’ countries like Finland, where public childcare has been on the public arena since the 1980s (Campbell-Barr & Nygård, 2014; Nygård et al., 2015).

In Finland the need for intensified investments in childcare and childhood education was accentuated during the 1990s as a policy concept needed in times of societal, economic and

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1. As a way of providing parents with freedom of choice in matters of childcare, public childcare can be substituted with subsidised child home care (enabling parents/grandparents to care for children under three at home) or subsidised private childcare (for children under seven) (STM, 2013). In 2001 a one-year pre-school year was introduced on a voluntary basis, and in 2015 it was made compulsory.

2. When we discuss early childhood education and care, we refer to what previously went under the name ‘childcare’ or ‘child day care’, that is, education and care services for children under six, and not to the pre-school year.
technological change as well as a result of the need to increase overall employment – notably among mothers. In 1997 the universal right to full-day childcare was extended to children under the age of seven\(^3\) (Forssén \textit{et al.}, 2008; Hiilamo, 2002), and as a way of strengthening children’s early learning and childhood education, a voluntary pre-school year of early education for six-year-olds (‘pre-school’) was introduced in 2001 (STM, 2002). In 2004 voluntary morning and afternoon activities for school children saw the light (STM, 2013). In 2015 the previously voluntary year of pre-school education was made compulsory, and in May 2015 – after many years of discussion and preparatory work (\textit{e.g.} STM, 2007) – the existing legislation on childcare was finally updated (Statute nr 580/2015, see \textit{Suomen säädöskokoelma}, 2015) as a way of strengthening the idea of early education, early learning, childhood pedagogy and investments in children’s wellbeing (see HE 341/2014 vp), with effect from 1 of August 2015.\(^4\)

However, after the international financial crisis in 2008-2009 the economic and political landscape for family policy reform has changed dramatically in Finland. As a consequence, recent governments have pressed for cost containment and structural reforms in order to combat economic decline, soaring public debt and falling employment. This has also led to austerity measures in family policy, such as cuts in child benefits (Ahrend \textit{et al.}, 2015; Nygård & Autto, 2014), and in December 2015 the newly enacted law on ECEC (Statute 580/2015) was amended by another statute (108/2016) that restricted the right to full-day ECEC for children without both parents in full-time work, education, entrepreneurship or self-employment – or with a parent on child home care leave or family leave – to 20 hours per week, with effect from 1st August 2016 (\textit{Suomen säädöskokoelma}, 2016). The withdrawal of

\(^3\)The universal childcare right was introduced for children under three already in 1990 (Hiilamo, 2002).

\(^4\)Through this legislative amendment the concept of ‘childcare’ was substituted by the concept of ‘early childhood education and care’ (Fi. \textit{Varhaiskasvatus}, Swe. \textit{Småbarnspedagogik}). Already in 2013, the administrative responsibility for ECEC matters had been transferred from the Ministry of Social Welfare and Health to the Ministry of Education and Culture.
the previously universal right to full-day childcare for children under seven was controversial and was criticised by politicians and experts (*e.g.* *Helsingin Sanomat*, 7.5.2016). To be sure, these two reforms can be said to reflect a mix of (conflicting) policy recommendations and ideas. On the one hand there is the ambition to invest in children’s development, learning and wellbeing (which was very much the primarily aim of the ECEC reform), on the other hand there is the economic situation and the influential discourse of austerity and cost containment that restricts and even curtails the socio-political room for manoeuvre (*cf.* Clarke & Newman, 2012; Farnsworth & Irving, 2015; 2011; van Kersbergen, Vis & Hemerijck, 2013) – which in this case means a partial restriction of the right for full-day ECEC.

This paper discusses this inconsistency by analysing the objectives, framing and ideational drivers of the two abovementioned ECEC reforms on the basis of government bills and parliamentary debate minutiae. We focus on two research questions. First, we analyse the *policy recommendations* of the reforms: what were seen as the main *objectives* and the *policy instruments* for achieving these objectives? Second, we analyse the *framing* of these recommendations: what kind of *arguments* was used for legitimating the recommendations and what were the *ideas* underpinning them? We argue that the analysed reforms can indeed be seen as inconsistent and that the discourse on austerity has been allowed to supersede the idea of investments in children’s early learning and development – even on the behalf of the best of children. This could be seen, not least, through the dominant position that austerity and cost containment arguments had in the government bills, and notably in the parliamentary debates. Moreover we observe a partial shift away from the principle of universalism and a stronger accentuation of conditionality through the restriction of the right to ECEC – something we believe will have negative effects on both the quality of ECEC and increase inequalities in children’s human capital and learning – and in the long run their wellbeing.
Ideas and their role for policy change in the field of ECEC

There are several factors that may explain social policy change, as well as changes in family policy and ECEC (e.g. Nygård, 2010; Wennemo, 1994). One factor is economic, since the economy provides the resources needed for protective and distributive policies and changes therein reflects upon social policies. As an example, most Western welfare states have needed to conduct reforms of their social protection systems as a result of increasing fiscal pressures and imbalances in the aftermath of the international financial crisis (Bonoli & Natali, 2012; Farnsworth & Irving, 2015; 2011; Hemerijck 2013). Another is political, since social policies are shaped by politicians representing different political parties, ideologies and interests (e.g. Huber & Stephens, 2001; Zimmerman, 2001). Therefore the ideological base of a country’s government is often linked to the type of social policy it conducts (Heywood, 2007). As an example, whereas the Social Democratic Party have historically supported investments in public childcare, the Centre Party and Christian Democrats have instead supported home childcare – or at least – the right for parents (and notably mothers) to choose between public childcare and subsidized home childcare (e.g. Hiilamo & Kangas, 2009; Nygård, 2003; Rauhala & Välimäki, 2000; Tyyskä, 1995).

The theoretical starting points for this paper, however, can primarily be found in a third set of factors explaining welfare state change, that is, in theories about how ideas influence policy change (e.g. Béland, 2010; Béland & Cox, 2010), but also theories of so-called discursive institutionalism (Schmidt, 2002; 2008) and discursive politics (Fischer, 2003). Put simply, one common assumption of these theories is that ideas and the discourses carrying them matter in politics. Ideas exercise cognitive and normative influence on how the social world is constructed and they generate discourses on what needs to be done for changing this world in a certain way (policies).
Ideas, however, can be of many kinds (cf. Béland & Cox, 2010). Schmidt (2008, p. 306), for example, distinguishes between three main categories of ideas on the basis of their generality of specificity: specific policy ideas, general ideas or programmes, and ‘public philosophies’ or ‘world views’ (Schmidt, 2008, p. 306). While specific policy ideas offer a recommendation or solution in relation to a certain problem, the more general ideas and ‘world views’ relate to larger ideational constructions on society, economics or politics, and they also offer some kind of normative justification for specific policy ideas. As an example: ‘privatization’ can be seen as a specific policy idea, which in turn is related to a more general and normative idea on ‘market efficiency’, which in turn can be related to an even more normative ‘world view’ of neoliberal politics, where markets are self-regulating and state intervention is seen as wrong.

Another useful dichotomy is based on functionality and distinguishes between cognitive ideas and normative ideas. Whereas cognitive ideas refer to logic and observation, telling us what the problem is and what the solutions to them are, normative ideas are attached to values and seek to legitimate policies, that is, telling us why something is important or why something needs to be done (cf. Schmidt, 2008, p. 307). Obviously, this distinction, or the abovementioned model, are not either straightforward or flawless, since the normative element and elements of justification can be said to permeate all types of ideas on political action or public policy (e.g. Clarke et al., 2015; Fischer, 2003), something that link them close to the concept of ideology (e.g. Taylor, 2007). Notwithstanding this critique, they can serve as a useful heuristic tool for investigating ideas and arguments influencing ECEC reforms.

In this paper we focus primarily on policy ideas, that is, the recommendations for policy change that the Finnish government has presented in the field of childcare and ECEC, but we also try to link these specific recommendations to the more general ideas and world views that nurture them normatively and cognitively.
We believe two ideational paradigms or sets to be of special interest here. The first paradigm concerns ideas on childhood investments as a part of a more general idea on an activating, economically competitive and socially investing state. Let us call this ideational paradigm the ‘childhood investment paradigm’. It highlights, for example, investments in early childhood education and learning, which are seen as ways of generating human capital needed for innovation, growth and competitiveness, but also for improving individual life prospects. The latter is seen as more cost-effective policy road than ‘passive’ social protection, since it is believed to prevent and diminish public expenditure on social welfare and health in the long run (e.g. Esping-Andersen et al., 2002). The second ideational paradigm, on the other hand, puts cost containment and fiscal stringency in the front; it regards all social policy expenditure – even allegedly ‘cost-effective’ expenditures such as investments in ECEC – as burdens for society and economy, and most certainly for capitalist elites (e.g. Blyth, 2013; McBride, 2015). Let us call this paradigm ‘the neoliberal austerity paradigm’. According to this paradigm welfare state expansion, fiscal stimulus and government spending are ‘logical’ anathemas, and instead it advocates expenditure cuts, tax reductions, less state involvement and greater wage and wealth dispersion in a neoliberal fashion.

Table 1 juxtaposes these two ideational paradigms (see table 1). The childhood investment paradigm is closely linked to so-called social investments paradigm (henceforth SIP), which can be said to be a policy paradigm advocating an active but selective state where ‘social investments’ – such as investments in qualitative childcare, early education and activating social protection (‘flexicurity’) – are seen as crucial for both a thriving economy and a socially sustainable society in a world characterised by perpetual change, globalisation and insecurity (Hemerijck, 2012; Morel et al., 2012). The SIP originates from Social Democracy and works of theorists like Alva and Gunnar Myrdal or John Maynard Keynes, but is also
informed by neoliberal critique of the welfare state as well as debates seeking a new role for the state in a time of constant change and globalization (e.g. Giddens, 1999). It probably also has a longer history in Nordic countries than elsewhere in Europe (cf. Lister, 2009). The central role of economic theory in the SIP is perhaps most visible in the use of the concept ‘investment’, which assumes that certain policy measures, such as investments in ECEC, are more ‘useful’ or productive than others since they promise some kind of future return (Jenson, 2009).

<table>
<thead>
<tr>
<th>Table 1. A categorisation of the main ideational drivers behind recent ECEC reforms in Finland</th>
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<tbody>
<tr>
<td><strong>Main values</strong></td>
</tr>
<tr>
<td>Early learning, early capital formation, life-long learning, children’s best, equal opportunity, children long-term development, future ‘pay-offs’ in terms of higher wellbeing and employment, human capital</td>
</tr>
<tr>
<td><strong>Examples of policy ideas</strong></td>
</tr>
<tr>
<td>Investments in children are cost-effective in the long run, ideas of future returns, active social policies, ‘flexicurity’, effective allocation of social policies, social policy as a productive factor for economy</td>
</tr>
<tr>
<td>An activating state in an internationally competitive economy</td>
</tr>
<tr>
<td>(Third Way) Social Democracy, Social Investment Paradigm</td>
</tr>
</tbody>
</table>
The works of Esping-Andersen (Esping-Andersen et al., 2002; Esping-Andersen, 2009) have often served as ideational guidance for the SIP, and also for the childhood investment paradigm, not least because he has accentuated the importance of ‘family-friendly’ policies and income protection as elements of an ‘investment-based’ and ‘child-oriented social policy’ (Esping-Andersen et al., 2002, p. 5). One element within such a ‘child-orientated’ social policy is investments in children’s human capital, learning and wellbeing. This is one of the reasons why the focus on ECEC has grown considerably in EU countries since the mid-1990s and why policies to create favourable (future) outcomes for children have become central (Morel et al., 2012; Penn, 2010; White, 2011). Another reason is that investments in ECEC have also been seen as important for (female) employment, and thereby also for economic growth as well as the fiscal sustainability of the welfare state (Nygård et al., 2015).

The role of ECEC for economic and social progress has been pointed out by a number of supra-national organisations such as the OECD (e.g. OECD, 1998) and the World Bank (World Bank, 2003), but also by the European Union (European Commission, 2011). Initially investments in early childhood education was seen as important mostly for the acquisition of human capital, and thereby also on individual life prospects, employment and growth (OECD, 1998). Later, though, the virtues of ECEC also spread to other policy fields, such as maternal employment and the reconciliation of work and family, but also macro-economic goals as economic growth and competitiveness (Campbell-Barr & Nygård, 2014). For instance, the OECD ‘Starting Strong Series’ (OECD, 2001; 2006) acknowledge the dual role of ECEC for creating fruitful opportunities for lifelong learning and supporting maternal employment. The role of a childhood investment strategy, and therein also ECEC, for a country’s economic position and competitiveness has also been highlighted by the European Union (e.g. European Commission, 2011) as a way of creating a knowledge-based economy (European Council, 2000). The key idea here is the idea of ‘investment’, suggesting that economic considerations
and theory have been influential. Accordingly, investments in children’s learning, human
capital and wellbeing will reduce the costs for society over the long run, since talent loss will
be reduced at the same time as public spending on welfare, health and labour-market policy
can be maintained on a more sustainable level (cf. Council of the European Union, 2011).

Although Finland, alongside the other Nordic countries, has often been regarded as one of the
pioneers in the field of ECEC, it should be noted that the investments made in Finnish
childcare during the 1970s, 1980s and 1990s were not explicitly framed as investments in
children’s early education or human capital, but rather as investments in children’s wellbeing,
social equality, gender equality and female employment (cf. Välimäki, 1999). The idea of
human capital as a prerequisite for future returns, such as more favourable child outcomes,
higher economic growth and enhanced international competitiveness became visible in the
Finnish ECEC discourse only in the 2000s (Campbell-Barr & Nygård, 2014). During the
2000s other European countries not formerly committed to public day care, such as Germany,
France and the United Kingdom, also reported major policy developments in the field of
ECEC (e.g. Daly, 2010; Fagnani, 2012).

The second ideational paradigm, the neoliberal austerity paradigm (as sketched in table 1),
refers to austerity, that is, the idea of pursuing deep and broad cuts in public expenditures for
the sake of higher economic efficiency (van Kersbergen et al., 2014). According to
Farnsworth and Irving (2015, p. 1) ‘the world has entered a “new age” of austerity’, which
means that most Western welfare states seem to have adopted a dominant policy paradigm
accentuating a reconfiguration of the role of the state. This reconfiguration has brought with it
tighter budget controls, expenditure cuts, tax reductions and a renegotiation of the relation
between social policy and the economy. It became common in many EU countries and the US
after the financial crisis in 2007–2008 (Clarke & Newman 2012) as a dominant offshoot of
neoliberal ideology, and has been framed as a policy paradigm that will have positive effects
on production life, employment and competitiveness (Blyth 2013; Farnsworth & Irving 2015). Although the phenomenon of austerity is hard to pinpoint empirically, it can be said to differ from earlier expressions of austerity through its dominant position and its permanency in debates on public policy and the welfare state (Farnsworth & Irving, 2015). Its dominancy is visible, for example, in its imaginary of being the only alternative, or by picturing government debt as a vice that eats the future of coming generations expense (Clarke & Newman 2012; O’Hara 2014) or, as Prime Minister Sipilä stated in a speech in the Finnish broadcasting company YLE (16.9.2015): ‘We cannot send the bill for today’s wellbeing to future generations’.

However, to some observers (e.g. Farnsworth & Irving, 2015; McBride, 2015), austerity is not only a matter of cutting government expenditure or tax reductions with all the discursive legitimating that goes with it, but also a matter of a more thorough transformation of the political economy on which the welfare state and social policy is based. According to Stephen McBride (2015) and Mark Blyth (2013), austerity can be seen as a component of neoliberal social policy, which has received increasing momentum after the international financial crises. McBride argues that the emergency of austerity ‘is a default strategy to respond to economic crises’ that aims at ‘protecting the power and advantages of capitalist elites’ (McBride, 2015, p. 68). As such, austerity politics generally hits the population in an uneven and unfair way, by, for example, negotiating the terms of labour and restricting social rights for already socially vulnerable groups of citizens, such as women, children, unemployed and immigrants (Farnsworth & Irving, 2015; O’Hara 2014). As Mark Blyth (2013, p. 226) argues, austerity is a ‘dangerous idea’ since it is not only self-defeating through its incapacity to increase growth or its social costs for societies, but since it is ‘ideologically immune to facts and basic empirical refutation’. Also in Finland, the idea of austerity has become rooted in the debate on economics and social policy in the 2000s, and especially after the financial crisis and the
accentuation of government debt reduction, structural reforms and cuts in social protection schemes (Nygård, 2015; Nygård & Autto, 2014). And as in many other countries, and despite the governments’ eager pleading for a ‘joint belt-tightening’ in times of crisis, the austerity politics conducted in Finland so far has met critique and even caused protests and strikes (e.g. BBC, 2015).

We can perhaps conclude this theoretical discussion, then, by arguing that ideas matter for policy change and that two of the ideational paradigms that are most likely to have affected the recent reform of the Finnish ECEC system are the so-called childhood investment paradigm and the so-called neoliberal austerity paradigm (see table 1). Using these two sets of ideas as our starting point, we now turn to an investigation of the ideas and discourses behind the two most recent ECEC reforms in Finland.

**Methods and data**

In order to answer our research questions on the policy recommendations and framing of the 2015 ECEC reforms in Finland we performed qualitative content analyses (e.g. Hsieh & Shannon, 2005) of the government bills relating to the two reforms in question (HE 341/2014 vp and HE 80/2015 vp, respectively) as well as analyses of minutiae from the parliamentary debates (remiss debates) related to the discussion about these reforms in the Finnish *Eduskunta* (PTK 135/2014 vp and PTK 61/2015 vp). Also a number of additional parliamentary documents (for example, different committee statements and protocols) and media coverage has been scrutinized in order to substantiate and contextualise our interpretations.
The analysis used the two research questions as starting point in trying to discern what kind of policy recommendations, arguments and ideas were at stake in the two ECEC reforms in 2015. The analytic approach is presented in table 2.

The coding of policy recommendations revealed the policy objectives and proposed policy instruments proposed by the Finnish government, answering the questions ‘What?’ and ‘How’. The second dimension of coding, that of arguments, corresponded more squarely to the question of ‘Why?’ Also the third category of coding, the underlying ideas, are related to the ‘why’-question, but on a more general ‘worldview’ level (Schmidt, 2008). Both these questions can be said to link to the legitimating of the reforms, that is, to present arguments and descriptions that understanding and acceptance of the reforms, or that at least diminishes the opposition to them.

Table 2. A framework for the content analysis based on different categories the type of idea (Schmidt, 2008)

<table>
<thead>
<tr>
<th>‘Policy idea’</th>
<th>‘Program’</th>
<th>‘World view’</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy recommendation</td>
<td>Argument</td>
<td>Ideational drivers</td>
</tr>
<tr>
<td></td>
<td>(‘WHY?’, rhetorical</td>
<td>(‘WHY?’, ideational</td>
</tr>
<tr>
<td></td>
<td>legitimating)</td>
<td>legitimating)</td>
</tr>
<tr>
<td>Policy objective</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(‘WHAT?’)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policy instrument</td>
<td></td>
<td></td>
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<tr>
<td>(‘HOW?’)</td>
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The actual coding of documents was performed by two of the authors after an initial discussion about and the actual construction the coding procedures. After an initial reading for getting a sense of the whole the documents were coded by extracting policy recommendations, arguments and ideational influence from the documents in accordance with table 1. The two other authors checked the coding made by the first two in order to secure high intra-reliability.
Findings

Policy recommendations in the two ECEC reforms

When the reform of the childcare system (HE 341/2014 vp) came on the political agenda in 2014, it was a product of years of discussion about how childcare could be made more educative and how to enhance children’s development, learning, participation and wellbeing (e.g. STM, 2007). One central objective of the 2014 government bill on ECEC was to strengthen the elements of early education and learning as well as putting the best interests of the child in the centre. Hence, the previous term ‘childcare’ was substituted by ‘early childhood education and care’ (Fi. Varhaiskasvatus), both as a term in the title of the statute (nr 580/2015) as well as a conceptual tool. The stronger focus on ‘childhood education’ and ‘childhood’ pedagogy’ (perhaps best exemplified by the word småbarnspedagogik in the Swedish translation of the statute) is noteworthy. Together with the fact that the whole policy area of ECEC had shifted from the domain of social services (sorting under the Ministry of Social Welfare and Health) to education (sorting under the Ministry for Education and Culture) in 2013, this suggests an ambition to strengthen children’s early learning through educative and pedagogical means. This can be seen, as an example, already in the ways that ECEC is defined in the governmental bill. Consequently ECEC refers to ‘a systematic and goal-centred whole that consists of upbringing, teaching and care, and where pedagogy in particular is accentuated’ (HE 341/2014 vp, p. 15, our translation). This policy objective is clearly about enhancing the essence of education and pedagogy, to increase the quality of ECEC and thereby to obtain a number of favourable child outcomes on, such as child wellbeing, better cognitive and social skills, higher tolerance and a more balanced personal development (ibid., pp. 15–16). Another central policy objective refers to children’s
participation in society and in decision-making concerning themselves (*ibid*, p. 5). The main tools for achieving these objectives are seen to be the education process in itself – something that it meant to enhance learning by combining ‘learning’ and ‘playing’ – but also more effective planning (*e.g.* individual ECEC plans) with more rigorous evaluation, cooperation and co-influence from children and their parents, smaller group sizes (including however municipal discretion), inter-sector cooperation and higher pedagogical qualifications of professionals (*ibid*, pp. 5–7, 11–18). It should be noted, though, that neither the bill, nor the statute, framed the need of an ECEC reform explicitly in terms of enhanced investments in human capital, nor were there any explicit mentions of future returns in a personal or a macro-economic sense, as suggested by the literature on ECEC and human capital (*e.g.* OECD, 1998; Penn, 2010). Instead the policy objectives were framed primarily as investments in the ‘best interest of the child’, that is, as something that seeks to enhance children’s wellbeing, capability, cooperation, participation and personal development in a long run (*cf.* Campbell-Barr & Nygård, 2014). Only in some of the speeches made by MPs in the parliamentary debate there was implicit references to the prospect of future cost savings through investments in ECEC, as the following citation from a Social Democratic MP shows:

The reason for why I think this is one of the government’s most important bills is that research has shown that one Euro invested in ECEC will repay itself by six or even seven times. Therefore, all that is done for the benefit of the child’s learning, equality and for its future is very important (MP Gustafsson, PTK 10/2014 vp, our translation).

The discussion in the parliament was largely positive towards the ECEC reform, although there was some discussion on whether or not it was ‘modern’ enough or contained ‘qualitative’ or ‘effective’ tools capable of seeing the objectives through. For example, one conservative MP criticized the reform to be ‘too lame’ in its pedagogical ambitions (Vahasalo, PTK 2/2014 vp). The most critical view was taken by MPs in opposition, but also
some MPs within the government’s own ranks were worried that the reform would exacerbate regional imbalances in ECEC provision and quality (e.g. Peltonen, PTK 4/2014 vp). One of the voices from the opposition, a Left-Wing MP (the Left-Wing Party left the government in the spring of 2014 as a protest to the cutbacks made in social policy), expressed fears that the reform will lead to greater inequality by providing high-quality ECEC for some groups while scrapping it for others.

The reform of the ECEC legislation is really necessary, and this is a reform we have all been waiting for. However, I am afraid that there will soon be cutbacks in the subjective childcare right, which means that children’s right to ECEC will be restricted. Thereby it is conflicting that we are now talking about safeguarding every child’s right to high-quality ECEC (Hänninen, PTK 6/2014 vp, our translation).

In other words, the 2014 ECEC reform (HE 341/2014 vp) can be said to reflect an ambition to invest in the wellbeing of children and to create favourable conditions for their future through public sector investments that enhance the quality of ECEC, expands the scope of action (smaller group sizes, more rigorous planning, cooperation etc.) and demand higher qualifications from the personnel at the same time as the reform signals that more pecuniary resources (higher public sector expenditures) are justified as long this merits the ‘best interest of the child’.

Whereas the ECEC reform signals a constructive and generally positive view on ECEC, the subsequent amendment (HE 80/2015 vp) proposing a restriction of the childcare right displayed a rather sinister and sceptical view on the whole idea of a universal provision of high-quality ECEC. Its main policy recommendation is clearly to generate cost savings and diminish public expenditure by restricting the right to full-day ECEC to 20 hours a week for children with one or two parents outside full-time employment, education, entrepreneurship or self-employment. Also children to parents or custodians using child home care or family leave
are no longer entitled to full-time ECEC (HE 80/2015 vp, p. 23). Although this is not perhaps a dramatic change and it affects only a fraction of all the children in Finland, it goes against one of the basic principles of Finnish family policy, that is, the principle of universalism (Anttonen & Sipilä, 2012). As mentioned earlier, the universal right (or subjective right) to childcare for children under school age became instituted in 1997 (for children under three in 1990) and has after that been seen as something of a ‘holy cow’ in Finnish family policy, not least by women’s rights advocates and the political left (e.g. Hiilamo & Kangas, 2009; Rauhala & Välimäki, 2000). Another tool for achieving cost savings that was proposed by the government was to restrict the right to child home care allowance (paid for home care) and private care allowance (paid for privately provided childcare) in tandem with the restriction of the right to full-time ECEC to 20 hours a week (HE 80/2015 vp, p. 24). Beside cost containment, another implicit policy objective of the amendment of the ECEC legislation (HE 80/2015 vp) was to enhance employment, more specifically by using the provision of full-time ECEC as an incitement for parents to take up full-time work.

ECEC will in an according way be provided as full-day care, if the child’s parents or other custodians either work full time or study full time, or is occupied full time as entrepreneurs or self-employed. When the abovementioned situation seizes to be, ECEC will continue to be provided for the child […] during two months, except if the child’s parent or any other custodian stays at home in order to care for another child living in the same family, or if one parent or another custodian retires. The aim is to spur the custodian to seek employment within this time period (HE 80/2015 vp, p. 23, our translation).

Thus far we have discussed policy recommendations inherent in the two ECEC reforms. As we have seen, while the first reform was mainly about enhancing the quality of ECEC and safeguarding the best interest of the child, the subsequent amendment was a renegotiation of the right to full-time ECEC for those not being in employment or in other gainful activities. How were these policy changes framed, that is, what arguments were used in order to legitimate them to the public and other audiences?
The arguments and ideas used for framing the ECEC reforms

When it comes to the ECEC reform (HE 341/2014 vp) the argumentation drew heavily on the achievement of future gains for children (*i.e.* the best interest of the child) – as noted above – but also on the technical, professional, educational or economical gains from creating a more modern, qualitative and effective ECEC system. This would become visible, for instance, through the introduction of a stricter framework for ECEC activities and planning by using legislation rather than ‘soft-law’ tools, such as national recommendations, and to create a unitary ECEC system all over Finland. When it comes to the amendment of this law (HE 80/2015 vp), on the other hand, the argumentation was much more colourful and refined, which can be expected in reforms that either curtail benefits or restricts entitlement to them (*e.g.* Blyth, 2013; Hemerijck, 2013). In retrenchment politicians seek to avoid blame through, for example, obfuscating or spreading the blame of unpopular policies (Pierson, 1994), which was also very much the case with the 2015 restriction of full-time ECEC.

The main arguments used for legitimating the restriction of ECEC in the government bill, as well as in the parliamentary debate, were mainly *economic* (*e.g.* ‘universal full-time ECEC provision is too expensive’/*we cannot afford it in the current economic situation/crisis’ [HE 80/2015 vp, 2015, p. 21]), *efficiency arguments* (*e.g.* ‘a restriction of ECEC rights generate higher efficiency in the allocation of public recourses on the municipal level’/*a targeting of services to children with needs’ [HE 80/2015 vp, p.40]), *activation arguments* (*e.g.* ‘the ECEC provision supports/spurs parents to become more active in the labour market’ [HE 80/2015 vp, 2015, p. 22]), *moral arguments* (*e.g.* ‘the ECEC restriction makes it easier for children to stay home with parents, which is the natural place for them to be’/*the reform increases the freedom of choice for parents’/*the responsibility for the care of one’s children...
belongs primarily to parents’ [Räsänen, PTK 77/2015 vp; Satonen, PTK 61/2015 vp]) and different arguments aiming at obfuscating the effects of the restriction or to avoid blame. Examples of arguments in the last category was that ‘the government is only carrying out the decisions made by previous governments’ (HE 80/2015 vp, 2015, p. 4), that ‘municipalities still have discretionary power to permit full-time ECEC for all [children] if they want and can afford it’ (Lauslahti, PTK 77/2015 vp) and that ‘this is not really a cut, since the subjective right to ECEC is not abolished, just restricted’ and that ‘20 hours of ECEC per week is enough considering the extent of hours that other countries provide’ (Satonen, PTK 61/2015 vp). Also arguments drawing on public opinion (e.g. ‘a majority of Finns support the restriction’ [Puumala, PTK 61/2015 vp]) and arguments of compensation (e.g. ‘the cuts are being compensated by other (but targeted) reforms/investments’ [Minister Grahn-Laasonen, PTK 61/2005 vp]) were used for legitimating the restriction of ECEC. The clearly most dominant argument, though, was economic arguments referring to the aggravated economic situation in Finland and the lack of necessary economic recourses for funding universal childcare services, even if the objectives of full-scale ECEC provision as such was viewed as something good.

The subjective right to ECEC according to the law is extensive and causes costs for the service provider. Even before the economic growth became weakened Finland’s public economy suffered from a lack of sustainability (HE 80/2015 vp, 2015, p. 21, our translation)

This government is forced to make huge cost savings because of this severe economic situation and the sinister future prospects for Finland that follows from it (Minister Grahn-Laasonen, PTK 61/2015 vp, our translation).

As discussed earlier, the neoliberal austerity paradigm, which advocates budget austerity, cost containment and fiscal balance, employs an imagery and discourse that precludes alternative policy choices (Blyth, 2013; McBride, 2015), such as fiscal stimulus, and that uses powerful cognitive association, such as ‘economic necessities’, risks for ‘sustainability gaps’ or the
moral dilemma of ‘making future generations pay for our welfare’ (cf. Clarke & Newman, 2012; O’Hara 2014) as discursive tools for creating consent. Also argumentation by disassociation is often used, which is especially visible in the attempt to reframe the ECEC restriction as something else than a cut, a technique of dissociation referred to in classic rhetoric as *paradiastole* (Skinner, 1999, p. 67). The play of arguments referring to economy and austerity in the attempt to seek legitimacy is thus very visible in the government discourse on ECEC and the parliamentary debate over the contested bill, where politicians from government parties (the Centre Party, the Conservative Party and the Finns Party) generally supported the bill by using the same arguments of ‘no alternative’, ‘joint belt-tightening’ or ‘economic necessities’, whereas opposition politicians tried to resist the reform by pointing at the risk of greater social inequality (e.g. Arhinmäki, PTK 61/2015 vp), the risk of negative effects on gender equality (e.g. Biaudet, PTK 61/2015 vp), the risk of disincentives for part-time employment (e.g. Östman, PTK 61/2015 vp) or by arguing that the planned restriction goes against international recommendations (e.g. Uotila, PTK 61/2015 vp). As a result of the strength of the neoliberal austerity paradigm within the government’s own ranks, as well as government’s internal discipline, the bill proposing a cutback in full-day ECEC was approved by the *Eduskunta* by a majority (114 to 65) on 15 December 2015 (PTK 82/2015 vp).

What were, then, the main ideas that were evoked in the government discourse as well as in the parliamentary debate supporting and opposing the two reforms studied here? On the one hand, it seems clear that the ECEC reform (HE 341/2014 vp), calling for a modernization and extension of the Finnish ECEC system, very much used ideas on ECEC’s favourable outcomes on children’s wellbeing and development in line with policy recommendations emanating from international organisations and agencies (e.g. European Commission, 2011; OECD, 1998) and the imperatives generated from the SIP (Esping-Andersen *et al.*., 2002; Hemerijck, 2012; Morel *et al.*, 2012), although the virtues of the modernized ECEC systems
were not explicitly linked to future macro-economic gains or to more optimistic life prospects for children, save some occasional mention in the parliamentary debate. One the other hand, in the discourses and debates over the amendment of the ECEC legislation (HE 80/2015 vp) we can see that the advocates of the restriction of ECEC rights drew more squarely on ideas of austerity and the need to cut expenses in the face of economic downturn, whereas the opponents drew on the same ideas that underpinned the investments and extension of the ECEC system, that is, by referring to international recommendations, the virtue of universal ECEC provision for child and family wellbeing, social equality and gender equality. In other words, we can perhaps say that the two reforms here, and the discourses, arguments and ideas underpinning them, represent a good example of a battle between different ideational paradigms, the child investment paradigm and the neoliberal austerity paradigm, and that the outcome of the battle was a victory for the latter. This is not to say, however, that Finland, or the two reforms under scrutiny here, represents a clear-cut example of austerity politics in action, since there were clearly different ideas at play here and that the idea of austerity was contested. Moreover observers (Farnsworth & Irving, 2015), have showed that Finland has used a mix of austerity measures and tax increases as a way of balancing its budget whereas many countries have resorted almost exclusively to austerity measures (O’Hara, 2014). We need to consider the economic and political context for understanding why there was a shift in ideational paradigm and policy away a social investment paradigm towards a neoliberal austerity paradigm. Although no dramatic changes did occur in the economic situation between 2014 and 2015 the continuous sinister economic prospects provided a strong basis for a shift toward austerity politics. What is perhaps even more important is that the shift in government (in May 2015) that opened up for a Centre-Right coalition with strong ambitions to balance the public economy by using a mix of structural reforms and austerity measures
(Government Programme, 2015). It seems plausible, then, to find explanations to the visible shift towards austerity politics in both the ideological factors and economic factors.

Conclusions and discussion

This paper set out to understand the background to and the ideas and arguments used for framing two recent ECEC reforms in Finland, the 2014 modernisation of the ECEC system (HE 341/2014 vp) and its subsequent amendment that brought along a restriction of the universal right to ECEC (HE 80/2015 vp). As we have seen, these reforms were different as to their policy recommendations as well as their ideational basis. While the former aimed at a modernisation and extension of the Finnish childcare system with a quality improvement of ECEC activities and the best interest of the child as some of its main creeds, the latter took a step back in recommending a restriction of the universal right to ECEC. We also found differences in the ways that the reforms were framed, both as to the arguments used for legitimating them as well as their underlying ideas. While the first reform built strongly on ideas of the child’s best, investments in child wellbeing, learning and early education, in line with a social investment paradigm (cf. Morel et al., 2012), the latter reform and its inherent cutback in ECEC rights was framed by the government as an ‘economic necessity’ – a step towards austerity that was both necessary and inevitable in the face of economic downturn and bleak future prospects for the economy. We can also note a significant difference in the argumentative effort needed for seeing the two bills through the Eduskunta. While the modernisation and extension of the ECEC system was less contested and thus needed less argumentative effort, the reform proposing cuts in the ECEC right needed a much stronger effort, which gave rise to a much more refined and colourful argumentation and a much more heated debate in the parliament. By using mostly economic argument, but also arguments
aiming at obfuscating the effects of the reform and avoiding blame, the government as well as
the politicians from government parties successfully created an imaginary and a strategy for
reform that was successful, even despite fierce resistance from the opposition and critique
from both experts and interests outside the political sphere. The arguments used, notably the
arguments referring to the economic situation, as well as the ideas emanating from a
neoliberal austerity paradigm proved to be a too strong a case for the opposition to crack. By
referring to the virtue of fiscal balance, cost containment and strict budget control, the
governments succeeded to get the parliamentary support it needed for an approval of the
restriction in the ECEC provision.

On the basis of this we can draw some tentative conclusions. First, we can see that ideas do
matter for policy change. When policy recommendations for a modernisation of ECEC
collides with recommendations for austerity, the latter gets the upper hand. The strong
influence from an austerity paradigm (Blyth, 2013; Farnsworth & Irving, 2015) seems
irrefutable here: even one of the ‘holy cows’ and hallmarks of Finnish welfare state
universalism – the subjective social right to public childcare – became sacrificed on the altar
of fiscal balance and austerity.

Second, we can see that ECEC provision is strongly conditioned by labour-market policy
objectives, since the amendment of the ECEC right only gives children with parents in full-
time employment, education, entrepreneurship or self-employment right to full-time ECEC.
This is intended to serve as an incitement or an activating element of family policy, which is
novel and that contradicts the traditional notion of universal provision of ECEC.

Third, by investing in the future of children with employed parents, while leaving other
children behind, the 2015 ECEC reform is likely to exacerbate social and economic
inequality, and in the long run to undermine the foundations for the Finnish knowledge-based society that has formerly been lauded in international assessments (the PISA assessments).

We can thus sum up this paper by arguing that the main drivers of the two reforms in question emanate from different, and conflicting, ideational sources. On the one hand, the long-standing ambition to reform the ECEC system largely build on ideas advocated by the European Union and the OECD on the need to strengthen children’s early human capital formation in accordance with the social investments paradigm. On the other hand, though, there is also a clear ideational influence from economic austerity and employment promotion.

The ambition to strengthen children’s cognitive, social and civic capital rests is closely related to both better life chances for children, but it also the nurtures the prospect of higher economic growth in the future. At the same time, the restriction of universality says something interesting about how the austerity discourse conditions, and even undermines, the whole prospect of enhancing children’s wellbeing and human capital – something that is likely to move the Finnish model of family policy away from the Nordic model of universal services towards a model characterised by targeted policies and higher degrees of inequality.

References:


