spotlight on **Norway and Estonia**

**Developing social services and building a nation**

One of the richest countries in the world, Norway today is the quintessential welfare state, with universal access to basic health and education. But this welfare state evolved over two centuries, with private systems only gradually giving way to state-run institutions. Making social services available to all was seen as part of building the Norwegian nation. Though geographically close, Estonia regained its independence in 1991. It is seeking to develop its social services and build a nation in a much shorter time, and under budgetary constraints.

**Norway: gradual change with top-down pressure**

In 1860 the Norwegian national assembly passed two laws—the Health Act and the School Act—the first time the state took responsibility for the health and education of its people. The Health Act, which established health commissions in every municipality, was promoted by the country’s social elite to improve the welfare of Norway’s farming and peasant communities so that the country could compete with the more advanced nations of Europe. The elite saw educating poor rural households in personal and environmental hygiene as a key to this project, and the health commissions were charged with this task. Interestingly, members of the medical profession, which up to that point had a somewhat lower status than other professionals (lawyers, priests, and the military), saw themselves as the natural leaders of the campaign. According to one doctor, appointing a lawyer to head the campaign (something that was being contemplated) “would do nothing to further the cause.”

But the health commissions faced significant difficulties in getting their job done. In addition to the facts that doctors were not trained in public health and their work was poorly paid, the cultural divide between the urban elites and rural farmers was an obstacle. For instance, although fertilizer was a scarce commodity, the doctors were trying to get rid of the compost heaps near people’s houses because of the “rotten” air that people were obliged to breathe.

Meanwhile, many of the services were being delivered by grassroots organizations. Founded in 1896, the Norwegian Women’s Public Health Association was running 14 sanatoria for patients with tuberculosis by 1920. The Association also advocated for greater public intervention in health, getting the authorities to open public baths and regularly monitor the health of infants and schoolchildren. From 1890 onwards, the health sector evolved through public-private partnerships, spurred on by pressure from grassroots and philanthropic organizations. As the sector took on more responsibility for delivering universal services, a process that picked up in the 1930s, it did not have to build the institutions from scratch: it could build on institutions already built, organized, and financed by private actors and civil society.

**Reforming schools**

From 1739, children were required to attend school from the age of seven until they could read and undergo Lutheran confirmation. The incentives to learn to read were strong. No reading meant no confirmation, and no confirmation meant no marriage license, no land holding, no permanent job, and no chance of enlisting in the armed forces. Nevertheless, the rural population resisted sending their children to school, mainly because they found the curriculum irrelevant for farming.

As with health, formally trained teachers became the driving force behind using education to build the Norwegian nation. Teachers organized themselves in 1848 and advocated inclusion of education professionals in policymaking bodies. The School Act of 1860 shifted responsibility for running schools from the clergy to an elected school board (whose head would still be a priest). As a result of populist and agrarian pressure, local school councils were able to appoint teachers, determine their own “education plan,” and introduce New Norse as the language of instruction. But a growing labor movement was demanding more universal education, so that by 1889 a common school law was passed and education finally moved from religious training to general learning and nation building.

**Estonia: starting over, with few resources**

At re-independence in 1991, Estonia wanted to move away from its inherited systems to modern Western European approaches that rested on progressive governmental, economic, and social reforms—partly for acceptance into the European Union. The new state had to quickly establish the mechanisms of a modern welfare state. But there was little time to establish the system’s legitimacy.

The first priority in 1991 was services based on Estonian language and culture, critical for national identity. Then came the urgent need to improve efficiency and equity. But economic difficulties limited the resources for reform.

The health care system had to be completely reorganized. Unlike the situation in Norway, the administrative, legislative, and regulatory powers in Estonia were all in one place: the Ministry of Health. With little transparency and control, corruption flourished.

To address the problem, the old state-funded system was replaced by health insurance, which facilitated transparency and a steady stream of finance. A major challenge has been to convey the logic and long-term advantages of the new system. People suddenly had to pay for health care that used to be free. Drugs were sold at European prices. And, although the system has equity as a goal, the health status of a growing number of Estonians is declining, especially that of the elderly, ethnic minorities, and the unemployed. Around 6 percent of the population is not yet covered by the new national health insurance system.

On many accounts, Estonia has succeeded more than many other newly independent countries. But in seeking to find its own way of making services work, it has not had the luxury of time.