

Socioeconomic Segregation in Finnish Cities: Academic Achievement and Psychological Well-being

Doreen,
Helsinki
Finland

Abstract

Finland stands out as a welfare state keen on providing equal access to education, healthcare, and other social amenities. Over the years, the country's population has risen, leading to increased population in urban areas. While the numbers in the Finnish cities rise, equal access to amenities has been gradually challenged, with evidence showing that socioeconomic segregation is a prevalent element in the cities, especially regarding education access. This study explores the state of socioeconomic segregation in Finnish cities, delving into how it impacts academic achievements and psychological well-being in these urban areas. This paper presents the research on socioeconomic segregation, academic achievement, and psychological well-being in Finnish cities, and the gaps in literature that necessitate further research are identified. The paper also recommends an intervention strategy that focuses on addressing the problem (socioeconomic segregation) instead of focusing on resolving the outcomes (on education, healthcare, and other key social issues).

Keywords

Socioeconomic, Segregation, Cities, Education, Psychological.

1 Introduction

Socioeconomic segregation has increasingly been an area of research, especially in urban landscapes, to address the increasing community divides along key economic aspects such as education, income, and occupational status, propagated by cultural factors, institutional and systemic factors, or even neighbourhood and residential effects (Ham et al., 2021). Researchers exploring the reason behind socioeconomic segregation in urban regions have found that while cities have always been hotbeds for segregation, urbanization has only intensified these practices, especially in the 21st century (Haarstad et al., 2021; Ham et al., 2021). A country's governance is considered a driving force to socioeconomic segregation, with welfare estates considered more prevalent to global pressures and thus more prone to experiencing local differences that lead to these inequalities (Ham et al., 2021). Finland, a renowned social welfare state, has been one of the focus countries when analyzing the global reach of the rising levels of socioeconomic segregation, especially in the context of Nordic countries (Kurvinen et al., 2025; Lobato & Bernelius, 2023). Interest in Finland has been due to the perception that socioeconomic segregation significantly impacts the way of life in Finnish cities. Impacting residential choices and the education attainment of individuals in the country (Bernelius & Kosunen, 2023). Understanding the impact of segregation on those facing these social inequalities and developing strategies to bridge the gap between these communities should be central to research. This paper explores the impact of socioeconomic segregation in Finnish cities, focusing on how it has impacted individuals' academic achievement and psychological well-being. These avenues are integral to research because they inform any country's key structures: education and public health, which are central to welfare, economic policies, and development. By addressing the impacts of socioeconomic segregation, the paper provides an opportunity to bridge the gap between communities and dismantle the systems that continually perpetuate spatial inequalities, enhancing growth and development among Finnish citizens. The paper will also present possible policy implications and interventions to aid in bridging the gap, and relieving the impacts identified, mitigating these challenges.

2 Socioeconomic Segregation in Finnish Cities

2.1 Background and Context

Finland is one of the countries renowned for its egalitarian culture, especially when addressing education, health and housing practices (Bernelius & Kosunen, 2023; Corral-Granados et al., 2023). However, despite the efforts and its level as a developed country, there have been increased records of socioeconomic segregation in the country's main cities, starting with Helsinki and extending to other cities such as Espoo, Turku, Tampere, and several others (Bernelius & Kosunen, 2023; Kurvinen et al., 2025). As researchers review the causes of the rising numbers of segregation, it has become apparent that the main challenge is the rising number of urbanization, caused by increasing economic pressures which lead to a state of economic discontent in rural areas and the increased migration to urban areas, and consequent clustering of the population in these cities. The increasing number of people in these cities has led to challenges in urban planning (Rosengren et al., 2024). These challenges end up creating a state where public transport in these urban regions, which is necessary to enhance accessibility, be it to schools, jobs, and other necessary amenities such as healthcare, are hard to acquire, thus creating a spatial mismatch where a region in the city is segregated due to the less accessibility to these amenities (Rosengren et al., 2024; Rosengren et al., 2025). This leads to a state of socioeconomic segregation where people in these regions, say the

Helsinki metropolitan area, have no access to jobs and schools due to lack of housing, poor housing, or roads or poor roads (Rosengren et al., 2024; Rosengren et al., 2025). This is a challenge that has impacted several cities in Finland. A study by Kurvinen et al. (2025) on the changes in 20 Finnish cities in terms of urban size compared the state of the cities at the beginning of the 21st century (2000) and almost two decades later in 2018. The data showed that while the population across the cities had increased in these 18 years, and other key aspects such as people with primary education only, people with tertiary education and foreign language speakers had changed, the number of low-income households had remained at 20% both in 2000 and 2018 (Bernelius & Kosunen, 2023). Of the 20 cities included, this paper's author picked the top five cities based on population as represented by Kurvinen et al. (2025) to accurately review the trends across these cities in terms of low-income households, people with primary education or less, people with tertiary education, and foreign language speakers. The five cities identified in terms of population were Helsinki, Espoo, Tampere, Vantaa, and Oulu, and the change is presented in Figure 1 below.

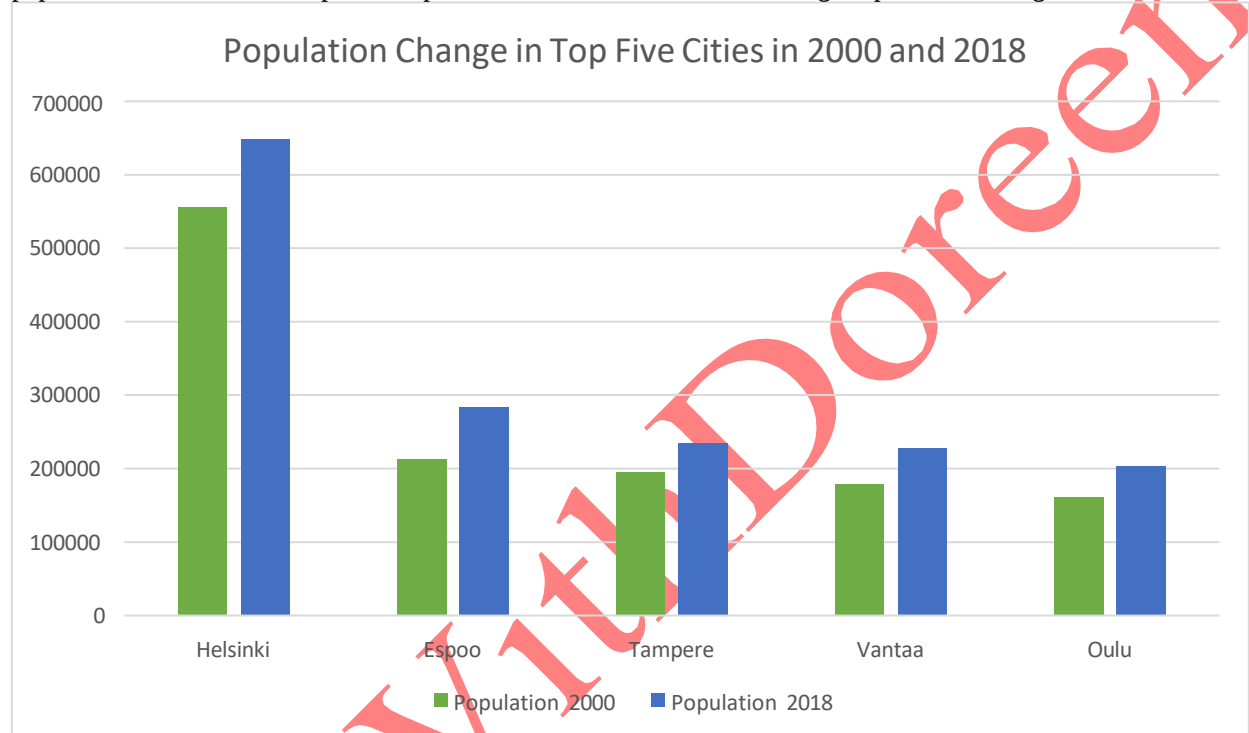


Figure 1. Population change in top five cities from 2000-2018. Source: Adapted from descriptive information collected by Kurvinen et al. (2025).

Notably, all the cities experienced an increase in population in these 18 years. These cities were then analyzed regarding the changes in other elements, and Figure 2 below illustrates the changes in the cities. Figure 2 shows that the number of low-income households between 2000 and 2018 remained at 20% for all five cities, the number of people with primary education only or less decreased within the same duration across all cities, while the number of people with tertiary education and those who speak a foreign language has increased in the same duration across all five cities (Kurvinen et al., 2025). These results illustrate that Finland has been making strides to bridge the gap in terms of socioeconomic segregation. However, there remains more to be done, and understanding the impact of segregation, especially on education and mental well-being, will be integral in better helping bridge this gap.

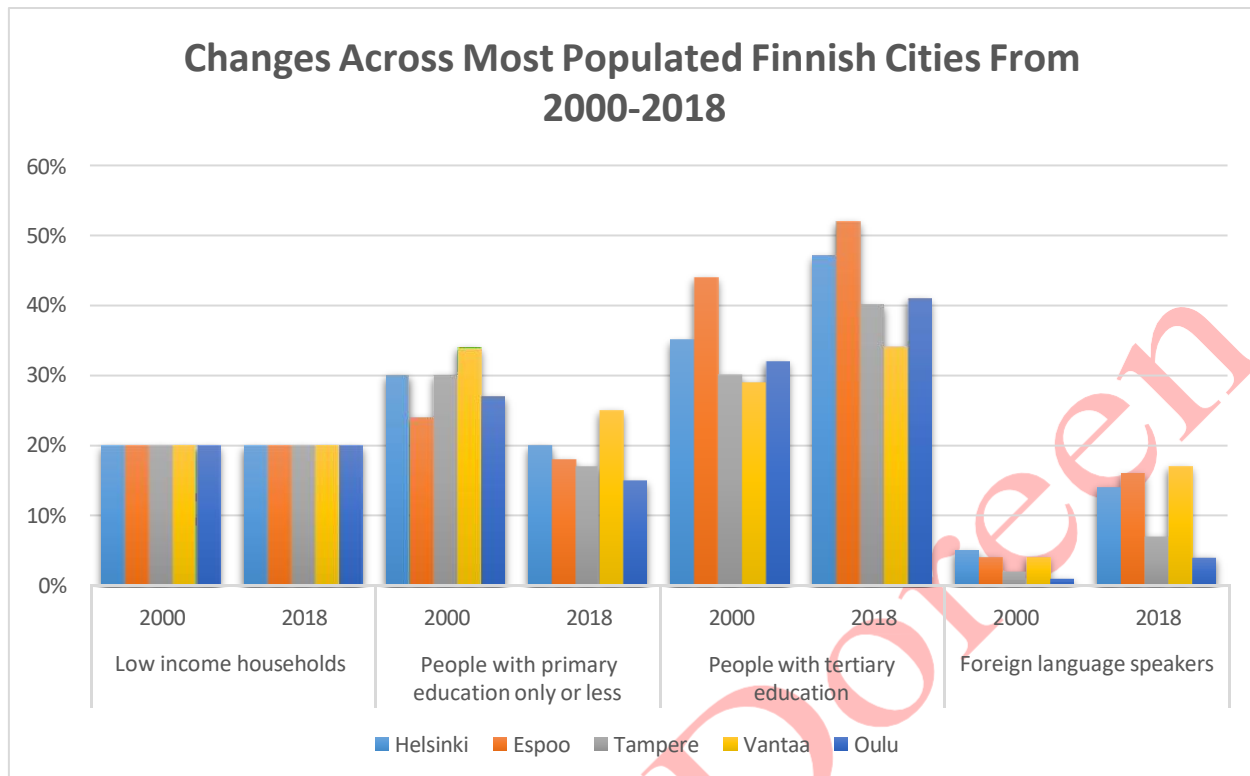


Figure 2. Changes across most populated Finnish cities from 2000-2018. Source: Adapted from descriptive information collected by Kurvinen et al. (2025).

Analyzing the cause of socioeconomic segregation in Helsinki, Leino (2024) opined that despite the city being heavily populated (about 670,000 people in 2023 and 1.2 million in the larger metropolitan), the city is responsible for all tertiary education before tertiary level and all healthcare, except serious surgeries. This means that a city that only employs around 38,000 people has the responsibility of ensuring the urban planning of a vast population and has to ensure the policies implemented at both regional, urban and national levels are well implemented, which leads to either delays or underdevelopment in some areas in the city compared to others (Leino, 2024; Tammaru et al., 2020). Further diving into the ways the problem can be resolved, Leino (2024) opined that there has to be a new approach to the Finnish public sector if there is to be a solution that bridges a gap in the socio-spatial segregation that has affected cities across Finland, adding that key sectors under the city's management, such as education and healthcare had to be viewed from the perspective of a problem that impacts both children and adults and thus needs solutions to address or manage. As several researchers have illustrated, the solution is in understanding the core of the problem, and the reason prevention is key, based on day-to-day operations. Thus, this paper reviews the impacts of socioeconomic segregation on academic achievement and psychological well-being, illustrating the core of the problem in these two areas and the need for prevention practices.

2.2 Socioeconomic Segregation and Academic Achievement

Research shows that education is considered one of the greatest equalizers and pathways to equal opportunities beyond socioeconomic boundaries, especially in welfare states (Bernelius & Vaattovaara, 2016; Modin et al., 2015). As such, in these countries, equal education access is prioritized to reduce poverty and foster equality, increasing potential intergenerational mobility and earnings through academic achievement. Finland, for instance, is known as one of the countries with excellent education outcomes, especially regarding the Programme for International Student Assessment (PISA), an assessment programme that measures the ability of 15-year-olds to read, acquire scientific knowledge, and grasp mathematical concepts and skills that aid with conquering real-life challenges (Bernelius & Kosunen, 2023; Bernelius & Vaattovaara, 2016). Despite these efforts, there has been an apparent decline in equality in education access, with Bernelius and Vaattovaara (2016) opining that this is a result of the increasing growth of segregation within neighbourhoods and residential areas in urban regions to avoid lesser privileged groups from joining the institutions. There have been several impacts of this segregation on the academic achievement of these individuals.

One of the impacts of socioeconomic segregation on academic achievement in Finnish cities is that it leads to school choice, a policy that refers to either schools admitting students based on selection criteria or parents choosing schools for their children based on the options available to them in the city (Kosunen et al., 2020; Lobato & Bernelius, 2023). This practice has several impacts on the education practices and academic achievements of low, middle and higher-income families and their children because first, parents will only choose schools where they are assured of accessibility, and schools, based on the criteria used, can end up leading to segregation based on income and other socioeconomic factors (Kosunen et al., 2020; Lobato & Bernelius, 2023). In the cases where parents choose the schools their children can attend, this is potentially limited by factors such as their income level, their general socioeconomic status, and their ability to trust the school to satisfactorily offer quality learning to the child (Kosunen et al., 2020; Tikkanen, 2019). This choice makes it difficult for the learner to obtain the best level of education they usually would in a fair education system where everyone had access to all schools without the element of parent or school choice, in the process raiding learners of key aspects of learning such as having higher academic aspirations, fair access to resources, and an education system that is free of economic pressures. This already creates a division among learners based on their area of residence in the city, socioeconomic status, and the potential access to parental support.

Peer influence is another key factor when relating socioeconomic segregation and academic achievement in Finnish cities. Bernelius and Kosunen (2023) highlight that finding a good school is directly tied to finding a good residential neighbourhood in Finnish cities, with a good school considered a part of the package regarding a good neighbourhood. This means the people with the ability to access good schools live in neighbourhoods where others of a similar status live, leading to a state where the peers in these neighbourhoods for school-going students are affluent. It is worth noting that a learners' peer group is associated with the learning outcomes and their academic achievements, with students from a higher economic status said to also reflect higher results in terms of academic achievement (Kleemola et al., 2023; Lobato & Bernelius, 2023). There has been a noticeable trend where a decline in the assessment of the lower socioeconomic status students are performing poorly and further declining, with their residential areas, peer groups, and linguistic and familial backgrounds considered key factors in the process (Lobato & Bernelius, 2023). As of 2023, the Finnish National Agency for Education highlights that the disparity in learning outcomes is at 9% in Finland, an improvement from a previous 10% (Kelhä, 2023). Notably, this is mainly being experienced across Finnish cities, because, according to Lobato and Bernelius (2023), over 70% of pupils in Finland live in these urban areas. Bernelius and Kosunen (2023) further underscore this, asserting that most of the disadvantaged and best-performing schools in the country are all located in urban areas. Evidently, the socioeconomic segregation in Finnish cities due to policies such as residential and neighbourhood choices and school/parental choices impacts students' academic achievements in these cities.

2.3 Socioeconomic Segregation and Psychological Well-being

As highlighted above, researchers have continually focused on the impact of socioeconomic segregation on school outcomes and academic achievements. However, there is barely any focus on the impact of socioeconomic segregation on psychological well-being. This concept refers to an individual's emotional and mental health states, based on their subjective experiences of affirmative psychological states such as life purpose, fulfilment and contentment derived from personal growth, positive relationships, and a sense of control over one's life journey (Dhanabhakya & Sarath, 2023). Several studies focusing on different contexts have shown that segregation does negatively impact the psychological well-being of those segregated (Do et al., 2019; Woo et al., 2020). Also worth noting is Montero et al. (2020) findings that socioeconomic residential segregation positively impacts the life satisfaction of an individual, arguing that people are arguably more content when neighbouring individuals of a similar background. Based on such findings, it can be argued that the socioeconomic segregation in Finnish cities has impacted the psychological well-being of those segregated. While no studies directly explore this concept in the context of Finnish cities, there are studies that can essentially inform the topic.

One such study is ethnographic research conducted by Pekka (2022) that focused on understanding how people in segregated locations, such as Helsinki, navigated the challenges they faced due to socioeconomic segregation. Pekka (2022) found that the segregation individuals in Helsinki experienced, either due to their socioeconomic status, neighbourhood, or education levels, impacted their psychological well-being, with some venturing into substance abuse to cope, others trying to fit in in social spaces to deal with the isolation, and others simply seeking to build relationships, either familial or with their peers that helped them feel less stigmatized and isolated. Participants who shared their views with the researcher on their experiences explained that they have had to seek social interactions with people experiencing similar segregation and isolation because of the increased feeling of isolation and stigmatization among other people of different social groups (Pekka, 2022).

Another avenue of well-being that has been explored is the relationship between neighbourhoods and socioeconomic status with psychiatric disorders. While these do not directly fall under the psychological well-being sphere but

rather the larger health sphere, it is a significant avenue to cover, especially concerning understanding the research outcomes on these aspects central to segregation in Finnish cities. One study by Vaalavuo et al. (2021) focused on exploring whether the neighbourhood a child grew up in affected their mental health in adolescence, focusing specifically on psychiatric disorders, and found that there was no relationship between the two. However, other factors, such as family background, arose based on analyzed data. A different study by Maria et al. (2022) also explored the relationship between socioeconomic disparities in mental disorders throughout childhood and found that the probability of mental disorders throughout childhood increased as parental education level decreased. The study also found that household income could impact the level of mental disorders during childhood based on other factors, such as the parent with the income (Maria et al., 2022). From this, it is possible that segregation, especially along socioeconomic levels in Finnish cities, can sometimes influence psychological well-being.

Additionally, there is a relationship between academic achievements and outcomes, and the psychological well-being of individuals. Modin et al. (2015) conducted a study seeking to determine the link between school performance, school segregation and stress among school-going children in Sweden and Finland, and while the study found that students in Sweden (Stockholm) are more segregated than those in Finland (Helsinki), the study also found there is a relationship between school performance and stress-related symptoms, especially in Finland. The study identified that higher-performing schools in Finland reported more somatic complaints than lower-performing schools (Modin et al., 2015). The study also introduced the concept of gender, arguing that while girls in schools performed better, the schools with more girls and better performance also had more somatic complaints. This is an avenue of potential further research, on the relationship between school performance, gender, and somatic complaints in Finnish schools.

3 Implications and Interventions

Policies have been the strategy to handle segregation, not just in Finland but in other countries as well. However, as Leino (2024) highlights, the focus is from developing policies to identifying the problem, understanding it, and breaking it down to its core. As a welfare state, Finland has policies in place to provide equal education and access to healthcare and mental health services. However, these policies do not shield the people struggling with these challenges from the challenges, as the policies focus on creating new ideas or projects that do not address the problem but the outcome (Leino, 2024). There needs to be urgency in accessibility to education in all regions, not just residentially affluent areas, eliminating discrimination in the school choice approach and addressing the causes of segregation. The urgency needs to be on addressing segregation and not addressing the outcomes of segregation. Bernelius and Kosunen (2023) opine that not even an egalitarian educational system with an overall focus on the high quality of education and schools can be entirely shielded from segregation tendencies and their impacts, which means gradually, the education quality will lower and education exclusion practices find themselves in these systems. Lobato and Bernelius (2023) further underscores these viewpoints noting that Finland's "same level for all" approach to education does not have the power to overcome the mounting differences in the Finnish society raided with socioeconomic segregation. Other strategies addressing the foundational challenges are necessary, and future research is how to approach them.

4 Conclusion

Finland is one of the most developed countries globally, with an egalitarian social-issue approach. The country has developed over the years in terms of population, with these welfare policies ensuring equality in various avenues, including education, healthcare, and other social practices. However, as this paper illustrates, socioeconomic segregation is still a valid concern in the country, with socioeconomic elements such as occupational status, educational level, and household income defining the nature of relationships, especially in urban areas, where residential neighbourhoods are based on a person's socioeconomic status. This paper sought to identify how this has impacted the academic achievements and psychological well-being of individuals experiencing socioeconomic segregation. As the article reports, academic achievements are highly dependent on the socioeconomic level of an individual (or their family) as this significantly defines the schools they attend, and the schools in higher-income areas have a 9% higher performance than those of lower-income areas. Reviewing the relationship between socioeconomic segregation and psychological well-being, the study found a prevailing gap in the literature, with various studies reporting differing findings. While this study does state that it is arguably possible that socioeconomic segregation negatively impacts psychological well-being, there is a study that has previously stated that segregation positively impacts life satisfaction, and thus, the study proposes further research to fill the research gap and definitively provide a precise response founded on research studies. Ultimately, there is a need to approach the issue of socioeconomic segregation in Finnish cities as a problem in need of keen analysis to identify a way to address the problem instead of simply focusing on the problem, and thus, this paper proposes further research on this research topic.

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