

ETHICS, ECONOMIC RATIONALITY, AND THE PURSUIT OF UNIVERSALITY: RECONCILING PRIVILEGE, SOLIDARITY, AND RECOGNITION FOR INCLUSIVE HUMAN RIGHTS

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Abstract

This study examines the intersection of economic rationality, ethical considerations, and social recognition in addressing inequalities. A critical emphasis is laid on the traditional models of economic rationality based on self-interest. In contrast, the need for integration of moral reasoning, altruism, and sensitivity to cultural identity is highlighted. The analysis reveals that privilege is reproduced through intertwined economic, political, cultural, and educational mechanisms. Hence the need for a complex approach that combines distributive justice with reciprocal recognition is deemed significant. Against this backdrop, the role of education is arguably essential in terms of expanding capabilities, reducing stereotypes, and cultivating equal participation. Collaborative economic models and institutional incentives have been proposed to align self-interest with collective benefits, embedding altruistic principles into governance and market practices. More specifically, the importance of overlapping consensus across diverse cultural traditions is underscored to uphold universal rights without erasing differences. The significance of emotional factors such as empathy and fear is further acknowledged because they shape responses to inclusionary reforms. As a result, an economic framework with focus on human dignity and capability expansion is outlined, where ethical resource distribution, recognition, and solidarity might coalesce to foster equitable and inclusive societies resilient to political and economic fluctuations.

Keywords: solidarity, recognition, inequalities, economic rationality, self-interest, collective benefits, privilege, disadvantaged groups, human dignity, education

JEL: D63, D91, I24, I31

INTRODUCTION

The debate regarding the extension of rights to disadvantaged groups has often raised tensions between material-economic rationalities and moral-emotional values. Therefore, a major argument that will be put into consideration is that the prospect of universality demands recognition to be understood not merely as a procedural formality, but as an interpersonal and intercultural acknowledgment of commitments, entitlements, and responsibilities. As Charles Taylor empha-

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sized, “Due recognition is not just a courtesy we owe people. It is a vital human need” (Taylor, 1994, p. 26). Such a perspective resists reducing recognition to an abstract legal status. Instead, it is depicted as an active stance that affirms both our shared humanity and the distinctive cultural identities through which individuals and groups define themselves. For this reason, it is noteworthy that universalist approaches highlight respect grounded in the affirmation of shared human dignity, which is often tied to discourses on rights, while communitarian approaches place emphasis on esteem for unique group identities, advocating for cultural difference to be valued rather than subordinated. In addition, some theorists have gone even further in suggesting the necessity of “a new philosophy of intercultural humanism,” one that combines rights awareness with mutual recognition practices embedded in everyday social life (Cortina, 2007). Importantly, such extensive position calls for dialogue, participatory engagement and self-discipline which are viewed as major prerequisites for long-term social cohesion. In this context, from a justice-oriented standpoint, fairness cannot be assessed solely within the boundaries of economic frameworks, as it also requires normative, ethical, and social considerations that extend beyond market logic (Honneth, 1995). Therefore, merging normative theory with political action may reveal the difficulty of balancing market efficiency with humanitarian goals because at the global scale, inequalities are presumably amplified by an uneven distribution of economic gains and opportunities. While globalization has generated unprecedented connectivity and prosperity for some, its benefits remain unevenly shared, as noted by Amartya Sen (1999). Hence, it will be pointed out that addressing poverty would ideally involve reorienting policies beyond economic growth metrics toward fairer distributive patterns that take into account the lived experience of deprivation. Given these complexities, the interplay between altruism and realism deserves particular scrutiny. It will be highlighted that while altruistic impulses, understood as expressions of care beyond self-interest, can reinforce societal bonds, their sustainability under conditions dominated by competitive economic interests might remain questionable unless institutional frameworks actively reward such behaviour. Consequently, the need for mechanisms that bridge short-term incentives with long-term cooperative gains will be stressed if initiatives promoting humanitarian cooperation are not to dissipate under market pressures. Moreover, a point is made that cultures vary widely in how they interpret fairness, yet certain principles, such as freedom from discrimination and equitable opportunity, can serve as common baselines even amidst divergence in traditions or beliefs (Toynbee and Ikeda, 1976). Against this backdrop, the role of education for empowerment is outlined as a possible mediator for win-win strategies (Banks, 1999). The latter might further integrate cultural recognition efforts with equitable resource distribution policies in order for disadvantaged groups

to receive both symbolic recognition and material gains (Bottero, 2005). Thus, reconciling economic rationality with pluralist human dignity appears less like a fixed formula. Rather, it is viewed as an ongoing negotiation between conflicting priorities and overlapping moral claims (Donnelly, 2007). Ultimately, sustaining such a fragile balance demands placing solidarity at the center of societal bonds so that recognition is not merely ceremonial but is embedded within socio-economic arrangements capable of challenging persistent inequalities (Fraser and Honneth, 2003). For this reason, the aim of the study is to examine whether ethical commitments to universality, solidarity, and recognition can be reconciled with economic rationality under contemporary conditions of inequality and the reproduction of privilege. Against this background, the novelty of the proposed theoretical approach lies in its integration of economic rationality, ethics, and recognition into a unified conceptual framework for the analysis of inequalities, in which solidarity and education play a connecting and mediating role. In other words, the study highlights education and institutional design as strategic mediators through which capabilities can be expanded, misrecognition mitigated, and long-term economic performance aligned with solidarity-based objectives indispensable for achieving inclusive universality in the field of human rights. Accordingly, the integration of ethical considerations with economic rationality is demonstrated as compatible through analytically grounded argumentation combining philosophical political economy with comparative policy insights. The analytical focus is placed on education as a public policy field within selected European Union member states, using comparative secondary data to assess relationships between educational investment, inequality, access, social participation, and labour market outcomes.

THEORETICAL FRAMEWORK

Theories of Justice, Recognition and Human Dignity

With regard to the pressing concerns for enhanced justice worldwide, the theoretical approach of the Nobel Price winner in Economic Sciences, Amartya Sen represents a pertinent example for broad synthesis. His analysis of Adam Smith's "impartial spectator"² is largely considered a valuable contribution because it offers a standard of fairness grounded not in the self-interest, but in the moral imagination that is needed to judge social arrangements from an unbiased standpoint. As noted: "the most humane actions require no self-denial, no self-command, no great exertion of the sense of propriety", since they follow what our "sympathy

² It is a core concept in the moral philosophy of Adam Smith (2006, p. 239), representing an ideal observer ("the man within the beast") who provides an unbiased judgement of our own actions, guiding us towards proper conduct and moral awareness.

would of its own accord prompt us to do". And so it is with broader values such as justice, which require the person to restrain his self-interest and "make the impartial spectator enter into the principles of his conduct" (Sen, 1999, p. 271). From here, Sen pointed out that crucial to Smith's view of "propriety of humanity and justice" is "the concord between the affections of the agent and those of the spectators". Thus, he makes a clarification that according to "the father of economics" Adam Smith, a person is firmly placed in the company of others – right in the middle of a society to which one belongs. This, in turn, makes the predominant individualistic perspectives of self-reliance highly untenable. Put differently, the person's evaluations as well as actions are considered to invoke the presence of others, and the individual is not dissociated from "the public".

In a similar vein, John Rawls's notion of the "original position"³ could serve as a hypothetical vantage point in which individuals reason about justice without awareness of their own status or identity. In his words it "describes the parties as rational and mutually disinterested, and as selecting principles in a fair initial situation" (Rawls, 1999, p. 112). From a broader perspective, such an approach supposedly further synchronizes recognition claims with distributive justice concepts such as "participation parity" as a particular form of a normative filter which facilitates the understanding of whether institutional structures allow individuals or communities to interact as equals in social life. More specifically, the notion of "participatory parity" is developed by the philosopher Nancy Fraser who understands the principles of economic equality and the avoidance of social degradation as an instrumental means for the achievement of social justice (Fraser and Honneth, 2003 p. 180). According to Fraser, participatory parity implies evaluating injustice in terms of the resources needed for full participation as well as through the prism of cultural respect which is essential for dignified living. As a result, it is highlighted that where material or symbolic inequalities persist, egalitarian ideals would remain aspirational rather than fully realized. In addition, Fraser (2003, p. 85) claims that redistributive reforms aimed at eliminating class divisions may inadvertently clash with recognition strategies that affirm group specificity. From here, a conclusion is drawn that blurring rigid status boundaries through transformative recognition might complement redistributive policies while simultaneously challenging entrenched beliefs about cultural integrity. For this reason, Fraser and Honneth (2003) maintain that human dignity operates at multiple levels and economic restraint is just one aspect among many.

With reference to the above, Arnold Toynbee's (1976) assumption that both freedom and equality are non-negotiable within dignified societies, additionally puts into question narrow visions where the paradigms of capitalism or social-

³ The "original position" is a hypothetical situation in which rational individuals choose the principles of justice that will structure their society.

ism outline these values as mutually exclusive. As stated, “in the field of human affairs, the maintenance of human dignity ought to be our objective and the criterion of judgment for the rightness or wrongness of the means we use to attain that objective. Human dignity demands both freedom and equality. These two necessities are not mutually exclusive. Capitalists and socialists, however, have made the mistake of considering them mutually exclusive because the visions of these two ideologies are limited to the economic level. Human life and activity operate on a number of different levels, each having its own requirements” (Toynbee and Ikeda, 1976, p. 100). Arguably, such line of thought often gives prominence to a set of hybrid humanitarian-economic strategies that do not tend to sacrifice individual liberties while ensuring the necessary fair distribution of resources. Therefore, it could be stressed that this perspective is closely aligned with what the prominent philosopher Adela Cortina describes as “activating both markets and universal values simultaneously”, positioning businesses and governments alike as agents bound to protect and respect human rights while remedying harm where it occurs: “For it is a familiar idea that it is definitive of morality to harmonize the prudential ends of people, so that they be co-satisfiable” (Cortina, 2022, p. 96). And continued to note that “he is no wise governor nor lover of the common good who allows so great a part of the citizenry as the poor to remain not only useless, but indeed harmful to themselves and others” (Cortina, 2022, p. 114).

With regard to the above, the global multicultural contexts may be viewed as a contemporary testing grounds for such perceptions. Arguably, in plural environments, the survival of civic solidarity depends primarily on balancing loyalty to specific identities (ethnic, religious) with commitments to democratic equality. According to Michael Ignatieff (2017, p. 48) the need to harmonize opposing views reveals an ongoing effort to make diverse populations agree with moral orders without coercion. In his words, “moral life in the global city should be seen as one of the most consequential experiments in mankind’s history, one that tests whether we can reconcile egalitarian commitments to human equality with ongoing loyalty to tribe and faith, whether democracy can build civic commitment across diverse populations or whether the tidal wave of human movement across borders will produce a populist backlash”. Against this background, he outlines that emotions such as fear or defensiveness arise when recognition is absent or perceived as insincere, while adding that “the ordinary virtues depend on public evocation and on public cultivation. They may be local and personal, but they are dependent on public choice, on whether there are decent schools, safety in the streets, municipal institutions that rally when disaster strikes, and so on” (Ignatieff, 2017, p. 217). In a similar vein, it has been stressed by Amartya Sen (1999, p. 243) that the affective factors may derail intercultural engagement unless addressed alongside structural inequities because “the culturally fearful often

take a very fragile view of each culture and tend to underestimate our ability to learn from elsewhere without being overwhelmed by that experience”. For this reason, the importance of education will be further highlighted as a foundational requirement in overcoming stereotypes and hostility through the enhancement of intersubjective skills and dialogue across differences that shape civic virtues. It is assumed that such development may also contribute for the reconciliation of economic rationality and personal dignity in contrast to purely oppositional competition. Taken together, these theoretical perspectives might be regarded as analytical lenses that reveal distinct vulnerabilities in institutional arrangements. Presumably, their value lies less in normative disagreement than in the way they illuminate how failures of recognition and distribution emerge under specific economic and political constraints.

Economic Rationality and Its Conceptual Limits

The concept of rationality has been widely used in economic and political sciences as a basic model of human choice behaviour. More precisely, “the model states that the agent should maximize her or his utility function to be considered rational”. Therefore, “agents are considered rational if their preferences are transitive and complete and they choose what they most prefer among the available alternatives. In many cases the assumptions of self-interest and perfect knowledge are added to the notion of rationality. Hence we get the homo oeconomicus model according to which individuals are rational, exclusively self-interested and have perfect knowledge about the consequences of their choices” (Rona and Zsolnai, 2017, p. 255). Furthermore, it is considered that the agent “might lack information, in which case his decisions might not be as good as those he would make if he had full knowledge of the facts. He could also choose not to be completely informed, or to not think things through in detail, because to do so costs time and, potentially, money. But he pursues his own interests perfectly, whatever they were” (Tirole, 2017, p. 123). While analytically useful, however, this model has been criticised for narrowing human motivation to a single axis of material self-interest through an overly restrictive notion of what constitutes “rational”. One which tends to abstract the decision-making process from the social, cultural, and emotional contexts in which real choices occur, while assuming that personal benefit calculations can be detached from identity, loyalty, or moral considerations. Notably, economists themselves have asserted that such simplifications risk creating agents who make internally consistent choices yet fail to account for broader human concerns (Tirole, 2017; Zamagni and Zamagni, 2010). More specifically, Amartya Sen (1977) has developed the idea of the “ra-

tional fool”⁴ as a critique of the restricted conception of rationality in mainstream economic theory. He argues that the classical economic agent, who always maximizes personal advantage, follows consistent preferences, and ignores moral or social considerations, is rational only in a very limited technical sense, but foolish in human, ethical, and social terms. For Sen, therefore, individuals are not solely “utility-maximizers” because they also act from commitments, moral obligations, sympathy, and concern for justice. Quite the contrary, when economic theory defines rational action only as personal utility maximization, it excludes the full range of motivations that shape real human behaviour. For this reason, Sen assumes that genuine rationality requires the capacity to evaluate choices, exercise moral judgment, and sometimes act against narrow self-interest for the sake of principles, fairness, or the well-being of others.

Nevertheless, it may be argued with regard to the aforementioned that people’s behaviour often appears to be too complex and unpredictable. Contextual factors such as cognitive biases, limited foresight, cultural norms, and ethical commitments introduce variability in the mental maps through which individuals interpret success or failure. Put briefly, “the different social worlds are shaped by unspoken, implicit, or background social “identities”, expressed through the patterning of our practical social relations, resources and lifestyles. And such differences help to explain how symbolic boundaries and collectivised identities rise, and fall... Differential association occurs in diverse ways, as stratified social relations mean that people follow different routes through life” (Bottero, 2005, p. 259). As a result, rational choice stripped of this contextual grounding risk reducing diverse human motivations into an artificially uniform logic. On the contrary, in some communities not to take advantage of a profitable opportunity might be deemed as entirely rational if it has to do with communal obligations or reciprocal trust. Against this backdrop, the relevance of this analysis does not lie in rejecting rational choice theory, but in demonstrating how narrow operational definitions of rationality can systematically distort institutional design, thereby perpetuating privilege reproduction and exclusionary outcomes.

Ethical Dimensions of Economic Decision-Making

In view of the above, it is worth stressing that in general ethical dimensions in economic decision-making tend to generate tension that is both structural and cultural, merging questions about fairness with the constraints of market-driven self-interest. Therefore, moving beyond the presumption that rational actors are

⁴ A “rational fool” is someone who follows strict self-interest even when moral or social reasons justify acting otherwise; who refuses to consider justice, reciprocity, or social norms in decision-making and behaves “rationally” according to economic models, but “foolishly” from a human and ethical perspective.

purely self-interested, was indicated to open a pathway for considering moral obligation as a legitimate determinant of economic choices. This shift implies acknowledging that decisions about production, consumption, and resource allocation cannot be morally neutral, even when framed in technical or utilitarian terms. Otherwise, economic rationality which is understood narrowly, risks obscuring the ties between economic processes and human dignity. Hence decisions oriented solely toward efficiency can ignore the harms they impose upon disadvantaged populations unless ethical criteria are embedded into institutional design (Cortina, 2007). As a result, the significance of mutual recognition becomes central here: a recognition not simply as acknowledgment of existence, but as affirmation of equal moral worth across economic relationships (Honneth, 1995). Quite the contrary, when such recognition is absent, it may be assumed that the legitimacy of economic decisions has been eroded, particularly for those whose cultural identities are marginalized by dominant systems because “those at the bottom of hierarchies are often stigmatised, and seen not merely as subordinate but also of lower worth” (Bottero, 2005, p. 253). It follows from the latter that material disadvantage and symbolic exclusion often reinforce each other and ethical considerations predominantly seek to counteract such imbalances by integrating distributive justice and participatory parity into the decision-making processes. From a humanitarian perspective, this would entail enhancement of capabilities that can be interpreted as a substantive freedom that people enjoy (Rona and Zsolnai, 2017, p. 65), such as access to education, healthcare, political participation, and protection from exploitation. Supposedly, persons who tend to prioritize equitable resource distribution over short-term financial gain could still be considered rational if their aim aligns with enhancing these fundamental capabilities for themselves and others. Therefore, this broadened conception also regards altruism from the standpoint of rational action rather than as its antithesis. It is argued that “to recognize the human motivation for sociability and altruism is not to deny the reality of self interest or “self love” as a motivator. Rather it is to say that calculative rationality is not necessarily selfish in seeking one’s own advantage to the exclusion of regard for others” (Rona and Zsolnai, 2017, p. 200) and while skepticism remains about altruism’s durability under competitive pressures, institutional mechanisms, such as ethical markets (fair trade), cooperative enterprises, or socially responsible investment funds, can align mutual benefit with individual incentives so that, in the long term, prosocial behaviour may become strategically sound (Sen, 2006).

Put differently, this would entail “education, access to health care, and above all employment, for it is through free, creative, participatory and mutually supportive labor that human beings express and enhance the dignity of their lives” (Rona and Zsolnai, 2017, p. 218). Not surprisingly, in the words of Nancy Fraser

“egalitarian redistributive claims have supplied the paradigm case for most theorizing about social justice for the past 150 years” (Fraser and Honneth, 2003, p. 7). From here, a focus on universality in social rights implies that no economic calculus should relativize the entitlement to basic freedoms. As emphasised by Sen (2006, p. 141) “the remedying of barriers requires the development of facilities for schooling and education, and also of a supportive safety network, including health care. Economic globalization is not just about opening up the markets”. It is further outlined that, the challenge lies in embedding these commitments amidst competitive market dynamics, where outcomes are typically judged by profitability outcomes that rarely account for social inclusion. In contrast, altruistic acts, such as accepting lower profit margins to ensure equitable pay structures, can strengthen societal cohesion by fostering trust and reciprocity across communities (Tirole, 2017). Yet their sustainability within markets would remain uncertain without mechanisms to align moral ideals with tangible incentives, so a possible strategy might involve rethinking corporate accountability so as to address the responsibility for the broader social impact of economic actions. In this context, Rona and Zsolnai (2017) suggest that if enterprises consider maintaining community well-being as part of their operational mandate, altruism would become an embedded norm and not an “extra” virtue because in the word of Jean Tirole (2017, p. 1) critics have warned us of “the disintegration of the social contract and the loss of human dignity, the decline of politics and public service, and the environmental unsustainability of the present economic model”.

Nevertheless, as mentioned, cultural differences prevail and also shape the ethical terrain on which economic decisions play out. The assumption that there is a universal paradigm applicable everywhere can be problematic since interpretations of duty or justice vary widely by local tradition (Lindsay et al., 2008) which further highlights the relevance of the subject matter. For example, from the perspective of cultural relativism, it appears that what one culture consider an example of fair trade practices may in contrast strike another as insufficiently reciprocal. For this reason, an overlapping consensus⁵ approach has largely been recommended as a viable method that would allow heterogeneous societies to find common ground without erasing diversity. In this regard, by making a comparison between several stages of human rights relativity, Jack Donnelly (2007) highlighted that the “overlapping consensus universality” is the one that has to be endorsed. This form of universality is seen as partial rather than complete, in the sense that it can leave open a space for local, cultural particularity and other forms of diversity if properly understood. Therefore, the underlying assumption

⁵ Political philosophers term “overlapping consensus,” where different value systems converge on shared principles, such as fairness or participation, without enforcing uniform ideological justifications.

of Donnelly's analysis is that the defensible claims of universality refer to the rights one has simply because one is a human being, but whether everyone, or even anyone, enjoys them is argued to be another matter of concern, largely a result of where one has "the good or bad fortune to live".

As evidence of the upper statement might serve a report of the "International Labour Organization" (2022) which indicates that "50 million people lived in modern slavery in 2021". It has been estimated that the number grew significantly in the last five years and in 2021, ten million more people were in modern slavery compared to 2016 global estimates. Arguably, this data signals the pressing concern for truly a humanitarian approach as an antidote to injustice. According to Donnelly, it is important not to lose sight of the challenges ahead in terms of a more value-oriented attitude and true predominance of rights over power interests which would require an inclusive mindset that does not operate on the principle of superiority versus inferiority categorizations. On the contrary, a simplistic view of this process might result in counterproductive effects and human rights advocates have to be capable of operating on both sides of the universalist/relativist divide with the clear consciousness that sometimes not all differences can be reconciled and a degree of sober realism might be of relevance for the implementation of a constructive dialogue and improved human rights standards (Donnelly, 2007). In other words, although the task of cultural translation might differ from the desired expectations, the attempts for broadening of common values must not be abandoned if the true mission of human rights is to become reality. As noted, "the real human rights problem is creating the agreements that would actuate rights for all people" (Handwerker, 1997). A predominant view is that the prospects for resolving this dilemma still remain unclear, but namely this ambiguity, in the end, could happen to mobilize transformative energies and struggle for real achievements, emphasizing decision-making along humanitarian lines, where material welfare will not be separated from its social and environmental contexts (Honneth, 1995). Hence a transformation of such models would require institutional changes that embed social responsibility within trade rules and governance frameworks rather than treating them as peripheral adjustments. Furthermore, ethical decision-making under these circumstances is to evaluate cross-border impacts, not only with regard to the benefit of domestic stakeholders, because it is equally important how foreign communities are affected in terms of dignity, opportunity, and security.

In light of the above, the researcher Patrici Calvo (2018, p. 165) suggests that engaging executives or students with concepts like "the good" or "the appropriate" may offer alternative lenses through which ambiguous business dilemmas might be resolved beyond the prospects of immediate gain. Accordingly, such kind of engagement might shift decision-making from compliance-oriented

objectives towards more complex judgment based on the specifics of personal character and culture, because reconciling opposing priorities, such as market efficiency versus human dignity, in essence would require creative institutional engineering. In such a manner upholding rights may not be seen as antagonistic to competitive success. From this perspective, Axel Honneth (1995, p. 128) claims that “solidarity can be understood as an interactive relationship in which subjects mutually sympathize with their various different ways of life because, among themselves, they esteem each other symmetrically”. It is further assumed that solidarity can coexist with profit motives while limiting exploitation. Thus, achieving universality in egalitarian principles, would depend on embedding ethics into the operational logics themselves, as already stressed, which is supposed to involve persistent negotiation among diverse interests without compromise on the protection of basic rights. In other words, “win-win” strategies are to be advocated where possible, which would require sustained political will alongside participatory engagement mechanisms, capable of integrating voices from disadvantaged groups directly into the policy agenda (Sen, 2006). Without this integration, recognition would run the risk of becoming diminished into symbolic gestures devoid of transformative power and such development would remain incompatible with genuine egalitarianism (Fraser and Honneth, 2003).

Aligning economic incentives with capability expansion may urge markets to reorient towards solidarity-compatible objectives while still delivering measurable returns on investment by creating spaces for sustained intercultural dialogue (Calvo, 2018). For example, joint civic projects, environmental cooperatives, arts festivals featuring mixed cultural representation are viewed as mechanisms to tackle divisions outside formal political negotiations. Arguably, these collaborations embody reciprocal recognition more effectively than abstract declarations because participants coproduce tangible outcomes that could benefit all involved parties. At this point, the emotional dimension appears as a vital premise because trust is primarily gained through repeated positive interactions in shared contexts where difference is present, but non-threatening.

Historical Perspectives on Ethics and Economics

The relationship between ethics and economics has long reflected competing visions of human motivation, collective welfare, and the limits of market logic. Historical perspectives reveal that tensions between self-interest and moral obligation are not modern inventions, but have been embedded in economic thought from its earliest formulations, beginning with Aristotle’s view that economic activity must serve human flourishing and continuing through the medieval Scholastics’ emphasis on just price and fairness. As outlined, the work of early modern thinkers such as Adam Smith is instructive in this regard, despite the fact that

popular references to his statement in the *The Wealth of Nations* that our dinner depends upon the self-interest of “the butcher, the brewer, or the baker”, tend to ignore the parallel emphasis placed on moral sentiments as necessary prerequisites for social cohesion (Hirschman, 1977). It has been acknowledged by Smith that an unrestrained pursuit of personal advantage could lead to folly at a societal scale. As a result, “his ideal was less a minimal state than one capable of curbing excess without suffocating economic initiative” (Hirschman, 1977, p. 104). This dual concern illustrates how early liberal thought intertwined market functioning with an implicit ethical concern, recognizing that sheer efficiency separated from compassion risked undermining the polity itself. Furthermore, the perspective of Montesquieu and James Steuart granted politics primacy over economic processes in maintaining human dignity (Hirschman, 1977, p. 128). In their view, economy was understood less as an autonomous mechanism than as a tool subordinated to cultural and civic objectives. Such subordination echoes later arguments by thinkers like the historian Arnold Toynbee, who insisted on placing culture and education at an upper scale within societal hierarchies (Toynbee and Ikeda, 1976, p. 101). For Toynbee, economic controls and planning were indispensable, but only if oriented toward human spiritual development rather than power consolidation.

As indicated earlier, however, the nineteenth century has witnessed the consolidation of more mechanistic models, where material self-interest became enshrined as the primary driver of progress and social welfare. These models presented selfishness as a reliable motor for prosperity. Yet, even then, dissenting voices warned against reducing human behaviour to such narrow drives. Critics emphasized intangible goods like trust and reciprocity as vital assets for economic stability, sparking debates about relational goods and their transformative potential (Calvo, 2018, p. 95). Later, in post-industrial Europe of the twentieth-century, ethical concerns have arguably reemerged within analyses of inequality and poverty eradication. The position of the Spanish philosopher Adela Cortina (2017) exemplifies this shift, arguing that while rational self-interest remains a fact of economic life, acting from it alone leads to social erosion. Her advocacy for integrating universal values into business practice marked a deliberate challenge to traditions treating markets as ethically neutral arenas. The idea was not to replace self-interest entirely, but to bind it within frameworks that entail mutual obligations across social strata. Similar currents of thought have also surfaced in heterodox economics through figures like the American economist Sam Bowles, whose broadening of economic inquiry into the human sciences suggested a civilizing effect of markets when tempered by social cohesion concerns (Tirole, 2017, p. 48). Amartya Sen’s (2006) analysis further reframed these historical threads by dismantling reductionist assumptions about singular identity and pure ratio-

nal choice by revealing how classical economics' focus on "the economic man" marginalized plural affiliations central to lived human experience, and an evaluative framework attentive both to material deprivation and cultural inclusivity was urged. Against this background, Sen's work can be seen as reviving strands already latent in Smith's moral philosophy but often eclipsed by market fundamentalism in subsequent centuries. With regard to the latter, historically aware perspectives suggest that interdisciplinarity was never alien to economics. Rather it was gradually eroded by professional specialization (Tirole, 2017). Historical experiences demonstrated both cooperative expansion, through fairer trade systems, and exploitative consolidation where stronger economies leveraged asymmetrical power unchecked by ethical constraints (Sen, 2006). Thus, altruism has been alternately celebrated and dismissed depending on prevailing paradigms. On the one hand it has long been celebrated as beneficial for social cohesion, because "ancient gift economies" relied heavily on reciprocal giving, while on the other hand, modern capitalist systems struggle with its sustainability unless coupled with structural incentives through win-win arrangements (Calvo, 2018, p. 92). For instance, the sociologist Wendy Bottero (2005) claims that societies investing early in inclusive education tended historically to develop broader participatory parity across classes. In her view, this becomes salient when examining the mid-20th century welfare states where schooling had reduced inherited class divisions. Conversely, neglecting education perpetuated stereotypes and hostility, lessons tragically repeated across colonial contexts where imposed economies ignored local capabilities enhancement in favour of extractive gain. Importantly, the latter continues to incite debates about inequality, sustainability, and global justice that tend to reaffirm that economics cannot be understood without its moral foundations. In line with this argument, Tirole (2017, p. 5) supports the claim that "economics works toward the common good; its goal is to make the world a better place; it analyzes situations in which individual interest is compatible with the quest for collective well-being, as well as those in which, by contrast, individual interest hinders that quest". It this regard the notion of privilege presumably merits closer attention.

Methodology

The current study aims to investigate how education functions as an institutional mediator between the quest of inclusive universality in the realm of human rights and economic rationality. More precisely, using secondary international data, the research aims to investigate the connection between public expenditure in education and certain measures of inequality, access, and social involvement. The study aims to accomplish this goal by pursuing multiple interconnected objectives: first, to develop an analytical framework that integrates the ideas of

economic rationality, recognition, and capability expansion; second, to pinpoint the main ways that social and educational disparities contribute to the perpetuation of privilege; third, to evaluate the potential of education to improve capabilities, lessen exclusion, and promote equitable participation; fourth, to compare international indicators of educational spending and inequality; and, finally, to develop evidence-based policy implications regarding the ability of educational systems to balance efficiency-oriented economic logic with moral commitments to solidarity and universality. Based on secondary international data, the current study uses a qualitative comparative analytical technique. Rather than establishing strict causal linkages, the goal of the methodological design is to investigate how education serves as an institutional mediator between the quest of inclusive universality and economic rationality. As a result, the analysis concentrates on finding interpretive connections and comparative trends between educational spending and particular social outcomes. Secondary indicators from globally renowned sources, such as Eurostat, the Organisation for Economic Cooperation and Development (OECD), the World Bank, make up the study's empirical foundation. The chosen variables include measurements of income inequality (such as the Gini coefficient), public education spending (as a percentage of GDP and per capita), and indices of social inclusion. A comparative interpretive logic underpins the analytical process, enabling the observation of medium-term patterns in the context of escalating social inequality and economic rationalization. First, trends in educational spending are analyzed and compared across four EU countries. Second, these patterns are evaluated in light of discernible advancements in social engagement, education access, and inequality. Third, the theoretical framework that combines the ideas of economic rationality, recognition, and capability growth is used to analyze the empirical patterns. A comprehensive evaluation of how educational institutions may either strengthen or lessen processes of privilege reproduction is made possible by the triangulation of data, comparative observation, and normative analysis. The study's methodological contribution is in connecting empirical indicators with normative political economy, even if it does not seek to give econometric models. While recognizing the contextual constraints inherent in cross-national comparisons, the research aims to produce evidence-based insights pertinent for social inclusion and education policy by integrating quantitative secondary data with qualitative interpretation.

Analysis and Results

Mechanisms of Privilege Reproduction

According to the research, a complex and mutually reinforcing network of forces spanning the political, cultural, educational, and economic spheres is re-

sponsible for the reproduction of privilege. These processes combine in ways that consistently direct opportunities toward already-advantaged groups while limiting access for others, rather than operating independently. The results imply that material disparities are typically incorporated in larger institutional frameworks that normalize uneven starting situations rather than being isolated phenomena. From an economic point of view, privilege reproduction is strongly associated with unequal access to resources, steady work, and accumulated capital, all of which influence people's ability to gain from public systems. However, the study shows that persisting inequality cannot be completely explained by economic advantage alone. By creating prevailing standards of skill, quality, and social worth, symbolic and cultural forces work in tandem. These standards frequently reinforce the misperception of excluded groups by favouring identities, ways of living, and types of knowledge associated with socially dominant groups.

More specifically, privilege can be conceptualized as the structured accumulation of advantages, material, symbolic, cultural, and political, accessible to certain individuals or groups by virtue of their position within a social hierarchy (Roemer, 1998, p. 112). These advantages are not randomly distributed, but maintained through mechanisms that foster inclusion for some while excluding others. Supposedly, this notion extends beyond immediate wealth or resources into domains such as social mobility and legal rights. When viewed through this lens, privilege functions as a form of "monopolization" because those in privileged positions often control the conditions under which valuable resources may be accessed, thereby enforcing criteria that favour insiders and weaken the opportunity pathways for the outsiders. Therefore, the supposed monopolization may manifest economically in control over markets or professions, culturally through the regulation of legitimate knowledge or status symbols, and politically by shaping bureaucratic recruitment and governance to sustain an advantaged cadre (Roemer, 1998; Zamagni and Zamagni, 2010; De Sousa Santos, 2018). However, it is worth highlighting that these mechanisms are not static, but may evolve alongside shifts in economic structures, political regimes, and cultural values, adapting to preserve relative advantage and to maintain disparities across generations through the reinforcement of dominance, both materially and symbolically. From this perspective, the reproduction of privilege might be considered as multidimensional and self-reinforcing dynamic, sustained by material inequalities, symbolic hierarchies, and institutional path dependencies. Put differently, it is reproduced through recognition processes when dominant identities are affirmed as the standard, while marginalized identities are devalued or rendered invisible.

For this reason, from an egalitarian standpoint, privilege is regarded as a form of violation of the human rights universality because it selectively withholds equitable access to capabilities necessary for full participation in society through

hierarchical processes defining who is “eligible” to benefit not simply on economic grounds, but also along the lines of ethnicity, citizenship, or lifestyle valuations (Handwerker, 1997). As these exclusive arrangements intersect with cultural identities, recognition may get distorted and what ought to be an affirmation of equal worth is replaced with graded esteem based on conformity to dominant norms. According to Honneth (1995, 2003) such forms of misrecognition tend to undermine solidarity and to entrench divisions. More specifically, as noted, material privilege includes disparities in wealth or ownership; political privilege encompasses differential access to decision-making influence; cultural privilege covers access to valued societal narratives and public legitimacy; educational privilege reflects uneven opportunities for acquiring skills and credentials that over time provide better economic prospects (Zamagni and Zamagni, 2010, p. 95) because privilege operates through a web of such interlocking mechanisms. As a result, such networks selectively channel opportunities, information, and endorsements within closed circles (Bottero, 2005). Arguably, the depicted dynamic contributes to a persistent gap between formal equality of opportunity and actual equality of access. From here, a conclusion might be drawn that dismantling one dimension of the interconnected mechanisms of privilege reproduction without addressing others, would pose the risk of superficial reform. Against this backdrop, the role of education is deemed pivotal because the attempt to counteract these entrenched mechanisms and symbolic recognition hierarchies would require addressing their emotional undercurrents as well as structural forms (De Sousa Santos, 2018) through presumable reconciliation of the emerging tensions between the interests defending exclusivity and the humanitarian aspirations towards egalitarian inclusion.

Education as an Institutional Mediator

As argued by Wendy Bottero (2005) education may disrupt the process of privilege reproduction. Removing barriers to educational access is considered to foster social mobility across generations by weakening long-standing attachments to inherited economic positions. Also it is suggested to strengthen capabilities across socio-economic lines while challenging symbolic hierarchies by ascribing a value to diverse intellectual traditions (Ximenes, 2019). From this perspective, education is grasped as both a moral imperative and an instrumental tool for more ethical economies because greater access is expected to reduce the hostility between groups with diverging cultural or ideological backgrounds (Corina, 2000). Pluralist curricula that is comprised of multiple cultural narratives and various cultural contributions to the overall field of knowledge is proposed as an antidote to the longstanding stereotypes that fuel misrecognition. Viewed this way, education can function as a bridge between cultural recognition and

practical capability enhancement. Against this background, ethical norms would arguably feel less imposed and more adopted through informed consent because individuals are provided with the analytical skills needed to critically assess, both personal choices and collective policies (Barrow, 2007). Such educational development may culminate in enhancing dispositions conducive to altruistic engagement in solidarity movements pushing for structural reforms toward fairer global arrangements in the face of historical shifts. It is claimed by researchers that informal practices sustain differential treatment through “subtler channels in the reproduction of advantage” (Bottero, 2005, p. 136). Hence exposure to diverse narratives during formative years might reduce hostility towards outgroups, thereby preparing students to view solidarity and mutual aid as normal economic behaviour rather than peripheral ideals (Ketko et al., 2023). In this regard, it is acknowledged that when all voices in educational environments carry equal weight regardless of background, they contribute to cooperative habits and inclusion which are further transferred to the field of work life and governance. In Cortina’s (2000) view such convergence might enable cooperation across cultural lines even when deeper normative commitments differ because altruism thrives where structural support exists. Therefore, by ensuring that disadvantaged groups will receive both symbolic recognition, as valued participants, and tangible resources enabling full social participation, education may act as moral ground for equitable economies.

The interplay between altruism and recognition is especially critical here because as already pointed out by Fraser and Honneth (2003), resource transfers alone cannot erase entrenched hierarchies if symbolic affirmation is absent. Likewise, symbolic valorization without material supports may leave the capability gaps unresolved. For this reason, educational reform is broadly considered as particularly salient. Increasing access to quality learning environments may disrupt intergenerational transmission of privilege because solidarity emerges when institutions put in place mechanisms for cooperative relationships between previously segregated groups. In turn, educated populations may more readily accept altruistic strategies not as concessions but as investments in mutual stability. Thus, empowerment could be stimulated not simply as a result from the removal of barriers, but from fostering affective orientations toward cooperation. For example, public storytelling embedded in coursework can help students connect abstract egalitarian principles with tangible human experiences (Barrow, 2007). It is assumed that when learners engage deeply with perspectives outside their immediate interests, they are more likely to act for collective welfare rather than narrow gain (Calvo, 2018). In such manner, altruistic urges intersect with education as both a motivator for reform and a behavioural outcome of empowered learning because inequality and privilege are not accidental, but predictable institutional

outcomes when informational asymmetries remain unaddressed. Therefore, true recognition within educational practice demands curricular pluralization so that diverse histories, languages, and cultural contributions appear not as peripheral topics, but as integral components of common knowledge. The humanitarian perspective frames this effort within a broader commitment to universality: no one's dignity can be contingent on conformity to dominant group norms or on economic convenience (Sen, 2001). In doing so, this perspective challenges the legitimacy claims of systems that value narrow cultural understanding as indicative of competence.

With regard to the aforementioned, the "Multicultural Education Framework" elaborated by James Banks deserves closer scrutiny because it constitutes one of the most influential models for understanding how schools can respond systematically to cultural and linguistic diversity. In the words of Banks (1999, p. viii) "as our ethnic texture continues to deepen, the challenge of educating students to function effectively in a pluralistic society intensifies". Taking various complexities into account, the framework is rooted in the premise that educational equity cannot be achieved through curricular additions alone. Rather, Banks has conceptualized it as a multidimensional reform project that is organised around five analytically distinct yet mutually reinforcing dimensions, each of which delineates a critical domain in which educational transformation must occur. These dimensions are as follows: content integration, the knowledge-construction process, prejudice reduction, equity pedagogy, and an empowering school culture. More specifically, the content integration concerns the systematic incorporation of diverse cultural perspectives, intellectual traditions, and historical narratives from multiple cultural groups into the curriculum. Banks (1999, p. 14) argues that when curricular knowledge reflects only dominant cultural narratives, students internalize narrow worldviews and develop distorted understandings of both self and other. Hence that monocultural knowledge constrains interpretive repertoires and reproduces epistemic exclusion. Integrating diverse epistemic sources is, therefore, regarded not a decorative task, but a conceptual one because it may broaden the interpretive frames through which students encounter knowledge. Nevertheless, the content integration alone is considered insufficient, which leads to the second dimension which encompasses the knowledge-construction. More precisely, it examines the socio-historical and ideological conditions under which knowledge is produced, legitimated, and disseminated. In this regard, Banks has emphasized that students must be assisted in critically examining how dominant epistemologies emerge, whose voices are authorized within them, and how hegemonic assumptions shape the formation of disciplinary canons. As a result, this dimension is related to the epistemic reflexivity and the broader debates on knowledge, power, and representation, which ought to develop the students'

ability to critique and reconstruct knowledge rather than passively consume it. Furthermore, Banks' third dimension is concerned with the prejudice reduction, where the socio-psychological dimension of schooling is highlighted. Drawing on extensive research in social psychology, Banks (1999, p. 48) acknowledged that classrooms function as crucial micro-contexts in which intergroup perceptions and implicit biases can be either reinforced or diminished. For this reason, he suggested that schools must adopt strategies, such as cooperative learning structures, perspective-taking activities, and critical discussions that systematically reduce prejudice and promote inclusive inclinations. Thus, the relational and affective role of multicultural education is highlighted in contrast to the purely cognitive aspect. The fourth dimension, equity pedagogy, shifts the analytical focus to teachers' instructional practices and their capacity to mediate learning in ways that promote equitable academic outcomes. From this perspective, Banks (1999, p. 97) asserted that sustainable multicultural reform would require institutional arrangements that democratize decision-making, ensure equitable distribution of resources, diversify staff, and cultivate norms that affirm cultural pluralism. Last but not least, the fifth dimension which has to do with empowering school culture and social structure, supposedly expands the framework beyond individual classrooms to the institutional ecology of schooling because without broader structural transformation in terms of discipline policies, family-school relations, teacher diversity, and decision-making structures, innovations gained at the classroom-level, would remain isolated and vulnerable to reversal. As a consequence, according to Banks, this dimension is often the most difficult to implement, yet it is essential. For this reason, as outlined, Banks' framework highlights that solidarity-oriented and pluralistic education is not the result of isolated interventions, but of aligned reforms across epistemic, pedagogical, social, and institutional domains. This finding supports the major claim that solidarity-compatible economic rationality requires institutional design rather than moral appeals alone. Equal access to quality education, therefore, emerges as an empirically justified policy lever for aligning long-term collective rationality with ethical standards which, in turn, fosters the argument that inclusive universality in human rights depends on institutions capable of reconciling incentive-driven behaviour with ethical commitments.

Comparative Evidence on Education, Inequality, and Social Participation

For the purpose of detailed analysis, the following section presents comparative empirical results on education as a public policy field in Bulgaria, Germany, Spain, and Sweden, focusing on public investment, system performance, and associated social outcomes. The analysis highlights how variations in education

policy design and financing correspond to differences in inequality, access, social mobility, and labour market inclusion.

It is noteworthy that public expenditure on education varies considerably across the selected countries. Public expenditure on education as a share of gross domestic product (GDP) constitutes a key indicator of governmental commitment to social development and human capital formation. According to data from the World Bank's *World Development Indicators*, Bulgaria's public spending on education during the most recent years for which comparable data are available reflects a moderate but stable level of investment. Specifically, World Bank data place Bulgaria's education expenditure at roughly the mid-4% range of GDP in the early 2020s. Aggregated historical data further suggest that Bulgaria's long-term average remains slightly below the European Union mean, which has typically ranged between 4.6% and 4.7% of GDP.

A broader cross-national perspective highlights substantial structural variation in fiscal commitment to education systems. According to Eurostat (2025b), Sweden maintained among the highest education expenditure levels in the EU. For example, in 2022 it recorded 6.9% of GDP, reflecting a strong redistributive welfare orientation. In contrast, Germany and Spain were closer to the EU average, generally fluctuating around 5.0–5.5% of GDP. Bulgaria, by comparison, allocated a comparatively smaller share of national output to education, remaining below both the Swedish model and, in most years, the average value across EU Member States (World Bank, n.d.; TheGlobalEconomy.com, n.d.). These differences reflect structural variation in fiscal commitment to education systems. Moreover, higher levels of education expenditure tend to be associated with greater stability of investment over time, whereas lower-spending countries appear more susceptible to funding volatility, particularly during periods of economic crises.

Building on the observed cross-national variation in public expenditure on education, a comparative perspective further suggests an association between higher levels of educational investment and lower inequality. Data from the World Bank's *World Development Indicators* indicate that countries sustaining relatively higher and more stable public expenditure on education tend to exhibit lower levels of income inequality, as measured by the Gini index (World Bank, n.d.). Within the European Union, this pattern is reinforced by Eurostat statistics on equivalized disposable income, which show that high-investment countries such as Sweden – where education spending consistently exceeds 6% of GDP – maintain comparatively low inequality levels. By contrast, countries with more moderate expenditure profiles, such as Germany and Spain, cluster closer to the EU average, while Bulgaria, characterized by comparatively restrained investment in education relative to EU peers, has consistently recorded some of the

highest Gini coefficients among Member States (Eurostat, 2025c). Read in conjunction with the education-spending data, these findings support the conclusion that sustained public investment in education is closely associated with lower and more stable distributive outcomes, whereas lower or less resilient investment trajectories tend to coincide with persistently higher inequality.

Moreover, indicators on access and retention further illustrate cross-country disparities that align with patterns in public investment in education. According to Eurostat statistics, the share of early leavers from education and training – young people aged 18-24 who have attained at most lower secondary education and are not participating in further education or training – has shown a steady decline across the European Union over the last decade, from around 11.8% in 2013 to approximately 9.5% in 2023, indicating gradual improvement in retention (Eurostat, 2025a). Country-level data reveal that early leaving rates in Spain remain above the EU average, with approximately 13% of young people leaving education early in 2024, reflecting persistent challenges despite long-term policy efforts (Trading Economics, 2026; Eurostat, 2025a). In Bulgaria, recent monitoring indicates that early leaving rates declined from higher levels in the mid-2010s to roughly 8.2% in 2024, moving closer to the EU-27 average, but still representing a significant retention challenge relative to northern and central European systems (European Commission, 2025). In general, the documented trends are consistent with the observation that countries with stronger and more stable public investment in education – as described in the previous section – tend to achieve more sustained reductions in early school leaving, while countries with more moderate educational spending show slower progress in retention outcomes. This pattern suggests that sustained investment in education is associated not only with distributive equity, but also with improved participation and completion across the education system. Yet improvements in early school retention constitute a necessary, but not sufficient condition for reducing broader income inequalities, which remain shaped by cumulative educational quality, labour-market integration, and intergenerational transmission mechanisms.

In terms of social mobility and human capital formation, comparative indicators further reinforce the relationship between education outcomes and long-term distributive dynamics observed in the preceding analysis. Data from the World Bank's Human Capital Index (HCI) show that countries such as Sweden and Germany consistently achieve higher levels of human capital accumulation, reflecting stronger educational attainment, learning outcomes, and health conditions that support future productivity, as defined by the index (World Bank, n.d.). By contrast, Bulgaria records markedly lower HCI values, indicating reduced expected lifetime productivity associated with gaps in education quality and health outcomes.

These differences in human capital accumulation are closely aligned with OECD findings on intergenerational social mobility. According to OECD analyses, countries with inclusive and high-performing education systems tend to exhibit lower intergenerational persistence of disadvantage and higher probabilities of upward mobility, while societies characterized by uneven educational access and weaker learning outcomes display stronger transmission of socio-economic status across generations (OECD, 2018). In this perspective, the comparatively high HCI scores observed in Sweden and Germany correspond to education systems that mitigate inherited disadvantage and facilitate mobility, whereas Bulgaria's lower human capital levels are consistent with OECD evidence pointing to more limited upward mobility and stronger reproduction of inequality. All in all, these indicators suggest that sustained investment in education contributes not only to enhanced human capital formation, but also to greater social mobility through the weakening of structural barriers across generations. As a result, underfunded or weakly coordinated systems tend to reproduce disadvantage rather than mitigate it. Against this background, education is acknowledged to operate as a key institutional channel through which differences in policy design and investment translate into broader social and economic outcomes. Importantly, the presented empirical patterns form the evidentiary basis for the subsequent policy analysis.

Policy-Relevant Analytical Findings

Building on the analytical insights presented above and applied to education policy, a relevant framework delineates how funding formulas, curricular standards, and evaluation mechanisms translate ethical commitments into concrete institutional outcomes. In terms of public education expenditure and funding design, the comparative findings indicate that higher and more stable public expenditure on education is associated with lower income inequality and stronger human capital outcomes. However, the results also demonstrate that the structure of funding allocation is at least as significant as aggregate expenditure levels. Uniform per-capita funding mechanisms, particularly in lower-spending contexts, coincide with higher early school leaving rates and weaker social mobility outcomes. This pattern supports the insight advanced by John Roemer (1998, p. 5) who, using finance data, emphasized that equal per-capita education funding fails to equalize opportunity when students differ in socio-economic background. This result implies that policies based on formally equal treatment, such as uniform curricula, standardized assessment, or merit-based evaluation tend to reproduce disadvantage when students' circumstances diverge systematically. In contrast, countries combining higher education expenditure with needs-sensitive allocation models, such as compensatory funding for disadvantaged regions or student

groups, might display lower inequality and more consistent education retention. From here, it follows that equal funding rules may perpetuate privilege reproduction unless educational policy explicitly compensates for unequal starting conditions through early childhood intervention programs, targeting capability gaps before school entry, and differentiated support for underperforming populations. Overall, these findings suggest that education funding frameworks incorporating socio-economic adjustment mechanisms are more effective in mitigating inequality than formally equal funding rules. At the same time, such models require robust administrative capacity, transparent criteria, and effective enforcement to prevent inefficiencies or political capture.

Furthermore, empirical evidence reveal a strong association between early school leaving among young people. Countries maintaining persistently low dropout rates combine higher investment with preventive interventions, including early childhood education and targeted support during compulsory schooling. By contrast, delayed or reactive policy responses are associated with persistently elevated early school leaving, especially in socio-economically disadvantaged contexts. These findings demonstrate that preventive policy instruments focusing on early stages of the education lifecycle are more closely aligned with improved access, retention, and completion outcomes than remedial measures implemented later. Nevertheless, such interventions involve long implementation horizons, underscoring the importance of long-term policy commitment.

In particular, OECD and World Bank indicators demonstrate that education systems characterized by high completion rates and inclusive access pathways exhibit weaker intergenerational transmission of disadvantage and stronger human capital accumulation. Conversely, systems with high dropout rates and limited transition mechanisms show constrained social mobility. These results suggest that education policy effectiveness depends not solely on enrolment, but on retention, progression, and structured transitions linking education to labour market outcomes. Policies supporting vocational education, dual systems, and the recognition of qualifications are associated with higher employment integration. However, coordination failures between education institutions and labour market actors may limit the effectiveness of such instruments in fragmented governance settings which needs to be further taken into consideration.

For this reason, the analysis also highlighted the cross-country differences in policy implementation capacity, revealing that higher-performing systems tend to combine stable financing, coherent governance structures, and data-driven monitoring mechanisms. In contrast, lower-performing systems exhibit fragmented authority, inconsistent evaluation practices, and weak feedback mechanisms. Across cases, education policy instruments are deemed less effective when institutional capacity is weak, regardless of formal policy design. Strengthening ad-

ministrative coordination, outcome monitoring, and accountability mechanisms therefore emerges as a necessary condition for sustained policy effectiveness.

Overall, the evidence-informed policy analysis indicates that education policies are most closely aligned with positive distributive and social outcomes when they exhibit the following characteristics: stable and sufficiently high public investment; needs-sensitive funding allocation mechanisms; early and preventive intervention strategies; strong retention and structured transition pathways; coordinated education-labour market governance; adequate institutional capacity for implementation and monitoring. Among the administrative mechanisms is outlined the significance of dropout rates and progression indicators; legal mandates for transparent funding allocation criteria, as well as school leadership accountability for inclusion outcomes and curriculum design, which are all analytically and empirically justified as efficiency-enhancing investments. From this standpoint, the analysis confirms that institutional coordination and rule enforcement attain decisive importance because lack of governance transparency and fragmented authority, by contrast, would undermine both ethical and economic objectives. These assumptions provide an empirically grounded basis for understanding education as a key institutional mediator between economic rationality and inclusive universality.

Conclusion

The purpose of this study was to reveal that the integration of ethical considerations with economic rationality is deemed essential for achieving inclusive universality in the field of human rights and social justice that could discard the easy tolerance for inconsistency while convenient. Acknowledging that economic actors operate within intertwined material and symbolic frameworks, outlined the necessity of combining distributive justice with reciprocal recognition which would ensure that disadvantaged groups receive both the resources necessary for full participation and the affirmation of their equal moral worth. These insights support the claim that redistributive measures should also be accompanied by recognition-sensitive institutional designs if they are to achieve durable egalitarian outcomes. Otherwise, material and symbolic exclusion would systematically produce misrecognition, undermining dignity and social cohesion. In this light, the role of education was analysed as multifaceted and transformative due to its potential to enhance capabilities and dismantle stereotypes which sustain division lines and inequality. An emphasis was placed on curricula that incorporate diverse cultural narratives and underscore the importance of equal participation and critical thinking which further stimulate individuals to engage constructively across differences. Such educational environments are regarded a fertile ground for egalitarian interactions that prepare citizens to uphold universal rights within

pluralistic societies, as a result of the disruption of cycles of privilege reproduction and the fostering of mutual respect extending beyond immediate self-interest. Therefore, pedagogical strategies that blend cognitive skills, emotional engagement, and structural assistance are considered indispensable for the teaching of intercultural understanding. For genuine recognition to thrive, it was stressed that namely emotional dimensions such as empathy are integral to mobilizing support and sustaining reforms, putting forward narratives that reframe inclusion as mutual enrichment. In this manner, the overall discussion aimed at revealing that economic rationality, when narrowly defined as individual utility maximization, fails to account for structural sources of inequality arising from informational asymmetries and institutional design. From the perspective of education policy it demonstrated that ethical objectives are compatible with economic reasoning when instruments are designed to compensate for structural disadvantage by aligning distributive fairness with functional efficiency resilient to economic and political fluctuations. The findings demonstrate that higher and more stable public investment in education tends to be associated with lower income inequality and reduced early school leaving in the long term. Given this view, it was outlined that reconciling profit motives with human dignity would demand synthesis across opposing traditions. Such a balancing act is arguably still pertinent due to contemporary global inequities. For this reason, it is noteworthy that extensive steps ought to be taken in the desired direction of improved empirically informed economic reasoning which can support inclusive human-rights-oriented policy frameworks consistent with the pursuit of the common good.

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