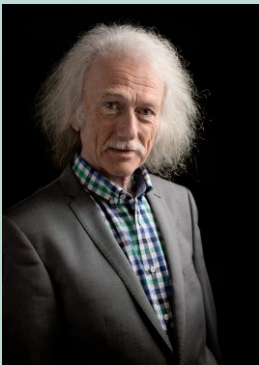




It's the economy, Pöyhkö: The 2023 Finnish election in the shadow of accession to NATO

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Abstract

When Finns went to the polls in April 2023, their country was on the cusp of completing a momentous reorientation of its security policy. Yet Finland's impending accession to the NATO alliance played little part in the campaign. Nor, despite international media interest in the prime minister, Sanna Marin, did the campaign revolve primarily around her. Rather, the customary issues of public debt, tax and public issues were central. In the event, Marin's Social Democrats advanced their vote, but did not remain the biggest party – a status that, customarily, confers the right to lead government formation. Indeed, the Social Democrats were overtaken, albeit narrowly, by both the conservative National Coalition and the far-right Finns Party (PS). The most striking losses were incurred by a member of the incumbent coalition government, the Centre Party.



Background

Everything changed in Europe when Russia attacked Ukraine in February 2022. Finland and Sweden suddenly and drastically changed their security policies, abandoning decades of nonalignment in favour of application to the NATO alliance. In the run-up to Finland's parliamentary election a year later, however, international interest seemed to be as much in the personality of its prime minister, Sanna Marin, as in the momentous policy change that she had overseen.

Prime minister 'by accident'

Marin, then Social Democratic minister of transport and communications, became prime minister in December 2019, when the Centre Party, part of the five-party coalition, unseated her party colleague, Antti Rinne, over a labour-market dispute. The coalition continued under Marin, who at 34 became Finland's youngest-ever prime minister. (This sequence of events mirrored those before midsummer 2003, when the Social Democrats had forced out a Centre prime minister over what became known as Iraqgate. See Arter 2003.)

Marin became a controversial figure, and not just because of her progressive, feminist views. On occasion, her social life made headlines. She was, however, outspoken in her criticism of Russia and played an important role in Finland's application for NATO membership.

NATO – no longer a four-letter word

During the cold war, Finland was a 'frontier state', tied to the Soviet Union through the 1948 Treaty of Friendship, Co-operation and

Mutual Assistance and extensive barter trade arrangements. True, the collapse of the Soviet Union facilitated EU membership and participation in 1994 in NATO's Partnership for Peace Programme. Moreover, from 2011, Finnish government programmes contained an option to apply for NATO membership. Otherwise, though, politicians intoned the official foreign policy orthodoxy of military nonalignment and a credible national defence. Until the Russian invasion of Ukraine in 2022, a clear majority of politicians and the public were opposed to joining NATO.

The shift in opinion was sudden and seismic. Only four days after the start of Putin's 'special military operation', a poll by the state broadcaster YLE showed 53 per cent in favour of NATO membership. Then on May 11 2022 the British prime minister Boris Johnson paid a one-day visit to Sweden and Finland to sign a mutual defence declaration with both countries. At a press conference following the signing of the joint declaration, the Finnish president Sauli Niinistö was asked about Putin's reaction to Finland's possible NATO membership. Alluding to Putin's demand, expressed at the end of 2021, that NATO should not accept new members, Niinistö addressed the international media in careful, deliberate English: "You ask me about Putin's reaction. My answer is that you [Putin] caused this. Look in the mirror." The following day, May 12, Niinistö and Marin issued a joint statement that Finland should apply for NATO membership at the earliest possible opportunity.

In contrast to Sweden, where the Greens and the Left Party were against (Aylott and Bolin



2022), no Finnish party opposed NATO membership. On March 1 a parliamentary vote was forced when two Left Alliance stalwarts proposed that under no circumstances would Finland allow nuclear weapons or NATO bases to be stationed on Finnish soil. But this was rejected by 184 votes to 7, with one abstention and seven absentees. In the event, Finnish membership was formalised on April 4, two days after the election.

On the first day the Finnish flag was raised at NATO headquarters, the Green foreign minister, Pekka Haavisto, recalled two historic events on Finland's road to a Western military alignment. The first, in autumn 1944, was the stockpiling of arms by officers and soldiers returning from the frontline after the so-called Continuation War with the Soviet Union (1941-1944). Caches of rifles, greased to prevent them from rusting, were secretly hidden in attics and cellars ready for use in the event that the uneasy peace treaty being negotiated did not hold and the Russians came pouring across the border. Finland, Haavisto contended, showed it wanted to be part of the West.

Second, Haavisto recalled how, as a young MP in 1992 and following the collapse of the Soviet Union, he had chaired the parliamentary Foreign Affairs Committee, which was summoned to the presidential palace to be informed by the head of state, Mauno Koivisto, that he was revoking both the 1947 Peace Treaty and the 1948 friendship treaty with the Soviet Union. Haavisto noted that this marked another significant step towards NATO. Indeed,

Finland's position as a frontier state explains much of the rush to join the alliance.

The campaign

The election campaign was largely uneventful, if not entirely issue-free. Perhaps there was a degree of electoral fatigue: since 2021, Finland had held elections to municipal councils and to a new tier of regional government, the 20 'welfare areas' (*hyvinvointialueet*). A *cumul des mandats* is an entrenched phenomenon in Finland (Arter and Söderlund 2022). Of the 170 parliamentarians seeking re-election, 48.2 per cent held a triple mandate (that is, representation at all three levels).

The apparent passivity of the public was a concern to some. As one PS parliamentarian commented: "I am worried about Finnish society. We have had a pandemic, there is the war in Ukraine, expensive food, expensive electricity, expensive petrol and yet nothing seems to bite." The PS sought to turn law, order and personal security into election themes, even if the scale of such problems was nothing like that in neighbouring Sweden. There was an outcry – at least in the media – when, in a party leaders' debate, the PS chair claimed that "culture [the arts] is a luxury item on which Finland spends too much money". Having previously been reluctant to be associated with its closest Swedish counterpart, the Sweden Democrats, the PS welcomed an appearance at its campaign by that party's leader. This no doubt reflected the Sweden Democrats' powerful position vis-à-vis the government that had taken office in Stockholm the previous autumn.



Eyebrows were raised when Marin, in Kiev, suggested that Finland might contribute part of its fleet of Hornet fighter jets to the Ukrainian war effort – an offer that was news to the Finnish president and even her cabinet colleagues. It was the economy, however, that dominated the campaign.

Finland's GDP, voters were told, grew by just over 2 per cent in 2022. However, inflation was the highest in 40 years and the current account deficit was the highest since the 1990s – a by-product of a rise in energy prices and a weakened net export of services. National debt was running at about €140 billion. According to official figures, Finland's post-election government would need to borrow a minimum of €10 billion per annum over its four-year term in order to meet state expenditure, mostly just to service the interest payments.

There was broad acceptance that not enough working-age Finns were in work. The aim of raising the employment level from 74 to 80 per cent was accepted across the board. Labour shortages were acute in the health and social care sectors. For all the parties except the PS, the answer was a substantial increase in work-based immigration. For the PS, by contrast, the present workforce should be employed more efficiently (there was largely unelaborated reference to a 'Japanese model'). Finland should not allow work-based immigration from outside the European Union unless they were highly educated. In any event, it was held, work-based immigration would not materially boost public finances because most so-called 'new Finns' go into low-paid jobs and require social services in addition to their wages. In the health-care sector,

immigrants' lack of Finnish-language skills supposedly put patients at risk.

The main economic battle line was thus over how to balance the books and kick-start the economy. For the National Coalition, the right mix involved income-tax cuts and savings. For the Social Democrats and the political left, economic growth, investment and selective tax incentives would do the trick.

Marin declared that every worker should be able to buy an electric car. Yet the liturgical recitation of the economic arguments 'swamped' debate about climate change. All the parties except the PS reasserted their commitment to achieving the existing government target of making Finland carbon-neutral by the year 2035. The PS set the deadline at 2050. The inference was clear: every Finn should be able to buy a diesel-powered car for that much longer.

As noted, NATO membership was a consensus issue, although, in the campaign's final party leaders' debate, the Left Alliance leader, Li Andersson, argued that Finland should not participate in NATO exercises in which nuclear weapons were placed on Finnish territory. There was broad agreement that Finland's present defence spending of 2.4 per cent of GDP should be maintained.

Red lines and the alignment of the parties

Since the early 1980s, a series of Finnish governments have, in Swedish parlance, 'crossed the blocs' and brought together such strange bedfellows as the Left Alliance and the National Coalition in so-called



'rainbow coalitions'. In contrast to the other Nordic countries, there is a strong presumption in favour of majority governments, and these have invariably had a core of two parties among the Social Democrats, the Centre and the National Coalition. Since 1991, moreover, every parliamentary party has at some point been a governing party, including the PS in 2015-2017. With the party system lacking a bloc structure, voters have little prior clue about the composition of the post-election coalition. However, invariably, and notwithstanding tortuous negotiations, Finland usually has a new government by midsummer.

Yet the situation was somewhat different in 2023. From the outset, the PS, which had become more radical since an internal split in 2017, was treated as a pariah party by the left-leaning coalition parties. On January 10, in an *Ilta-Sanomat* interview, Marin announced that the Social Democrats would not govern with the PS. The Left Alliance and the Greens followed suit in short order. This prior refusal to countenance post-election co-operation with some parties is new. The Swedish People's Party also stated that co-operation with the PS was highly unlikely. The PS, for its part, made a condition of government participation a substantial reduction in immigration.

Meanwhile, the Centre leader made clear that the party could not participate in a cabinet comprising the present configuration of parties. Only the National Coalition leader avoided laying down 'red lines', although he did insist that his party could only co-operate with parties ready to

work to implement a target of 9 billion euros' savings over the next two electoral terms, 2023-2031.

The results

The two larger opposition parties were the undisputed election winners. The National Coalition became the largest party for only the second time, marginally improving its 2011 vote (although its poll ratings had been much higher when, having long been the solitary pro-NATO party, Finland decided to apply for membership). It emerged as the dominant party in the 'deep south', which includes Helsinki. The party reclaimed top spot in the capital from the Greens; it displaced the PS as the largest party in Varsinais-Suomi; and it consolidated its position in Uusimaa. It gained ground in all 12 mainland constituencies.

The PS achieved its best-ever result, surpassing its 2011 *jytty* (roughly, "big bang"). (Curiously, its score was almost identical to that of the Sweden Democrats in the Swedish election the previous autumn.) Its leader, Riikka Purra, gained the largest individual vote of any candidate. The PS retained its position as the second-largest party, both in votes and seats. It was the largest party in half of all mainland Finnish constituencies, making its strongest gains in the two northernmost constituencies, Oulu and Lapland, where it won over a quarter of the vote. Its Achilles heel was in the populous south. In Helsinki, it scored no less than 8.8 percentage points below its national average.



Table 1. Finnish election results

	2023		2019	
Party	Seats	Votes %	Seats	Votes %
National Coalition	48	20.8	38	17.0
Finns Party	46	20.1	39	17.5
Social Democrats	43	19.9	40	17.7
Centre Party	23	11.3	31	13.8
Greens	13	7.0	20	11.5
Left Alliance	11	7.1	16	8.2
Swedish Peoples' Party	9	4.3	9	4.5
Christian Democrats	5	4.2	5	3.9
Movement Now	1	2.4	1	2.3
others	1	2.9	1	3.6
<i>turnout</i>		72.1		72.0

Source: Eduskuntavaalit 2023.yle.fi/uutiset



The Social Democrats's result is perhaps best described as a 'defensive victory' (*torjuntavoitto*) – a term frequently used by Finnish politicians seeking to put a positive spin on an otherwise disappointing result. (This was another parallel to the outcome of the Swedish election.) The party made particular progress in Helsinki, reducing the Greens to third place. Indeed, the election was only the third since 1966 in which a sitting prime minister saw his or her party's vote increase. (All three have been Social Democrats. Kalevi Sorsa did it in 1983 and Paavo Lipponen in the Iraqgate election twenty years later.) Nevertheless, Marin promptly declared she would stand down as Social Democratic leader.

The National Coalition leader, Petteri Orpo, was thus set to lead the process of government formation and, in all probability, become prime minister. It was likely that either the PS or the Social Democrats would end up alongside additional, smaller parties as coalition partners.

The two big losers were Centre and the Greens, both members of the outgoing coalition. The largest party in half of the eight general elections between 1991 and 2019, the Centre (which changed its name from the Agrarian Party in 1965) polled its lowest vote since Finnish independence in 1917. It lost its leading position in four northern constituencies. Its leader, Annika Saarikko, insisted immediately that the Centre would go into opposition. The Greens, meanwhile, registered their worst performance since 1995. Shortly after the election, their leader, Maria Ohisalo, announced that she would be standing

down. In Helsinki, the Green vote fell by 8.2 per cent. According to a senior Green figure, the Social Democrats "cannibalised the Greens and Left Alliance". Yet the Greens had also appeared marginal to the main campaign debates.

Whilst the proportion of female parliamentarians in the new parliament fell (54 per cent of are now men), the three highest-polling candidates were all women: Purra, Marin and Elina Valtonen of the National Coalition.

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Discussion: the future of the big Finnish parties

The PS is now clearly a fixture in Finnish politics. In February, a *Helsingin Sanomat* poll revealed that the PS was the most popular party among young, first-time voters, winning 28 per cent of them. The party demonstrated a fine blend of traditional and postmodern campaigning. Three young PS parliamentarians elected in 2023 were particularly indebted to their use of Tiktok and YouTube videos. They eschewed flesh-pressing and pea-soup-serving in favour of building a digital personal vote. The PS competes with the Social Democrats for the traditional working class electorate.

The future of the other historic class party, the Centre, is very much in the balance. Its decision to enter the new government in 2019, following a disastrous election result, would appear in hindsight to have been a serious error. After sniping at its left-wing coalition partners on a range of issues as the 2023 election approached, the Centre lost ground in all the mainland constituencies. It failed for a second consecutive election to win a seat in Helsinki, polling a miserly 1.6 per cent there, despite its running in an electoral alliance with the Christian Democrats. It kept its two seats in Uusimaa, moreover, only by dint of the substantial popular vote for Antti Kaikkonen, the minister of defence in the Marin government, who played a prominent role in Finland’s NATO application process.



Yet it was in the Centre's northern heartlands that the alarm bells really rang. For the first time since independence in 1917, the Centre was not the largest party in Oulu and Lapland. The PS party secretary's summation was brutal: "the Finns Party has given the Centre the *coup de grâce*" – a killer blow. (He later apologised for the bluntness of his remark.)

And what of Finland's famously unstructured party system? Some parties' refusal to consider co-operation with the PS, if it were to be sustained, might suggest a development towards more predictable patterns of co-operation and competition, or "systemness", as in other Nordic countries.

Indeed, while a left-right axis was the most conspicuous distinction between the government and opposition parties, the PS in particular sought to appeal on a traditionalist-nationalist platform,

promoting Finnishness as its central value. In the build-up to the election, two issues – abortion law liberalisation and gender recognition – highlighted the gulf between left-libertarians and social conservatives. Indeed, the PS gained 'issue ownership' of a set of alternative policies, which included opposition to work-based immigration from outside the EU, a deferral of the deadline for achieving a carbon-neutral economy to 2050 and a reduction in the status of Swedish (the second national language in schools).

It was the perception that the Centre was dominated by southern-based liberals, and rubbed shoulders in government with progressive 'lefties', that doubtless prompted defections to the PS in traditional northern Bible Belt municipalities. It was easy for PS to charge Centre with 'guilt by association' in government with left-green libertarians.



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