

## No longer a model pupil in European politics?

### Finland's EU policy after the general elections

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**F**inland's political landscape changed significantly following its parliamentary elections on April 17<sup>th</sup>. The landslide victory of the EU- and euro-sceptic True Finns Party brought to an end the hegemony long enjoyed by the three main parties with distinctively pro-European sympathies. While the True Finns' 19.1% share of votes will not allow the party alone to decide Finland's European policy, the increasing unpopularity among Finnish citizens of their country's participation in the bailouts of Greece, Ireland and Portugal cannot be ignored by the other main parties in the formation of a new government, which is likely to include the populist True Finns.

#### The True Finns' arrival with a 'big bang'

The leader of the True Finns Party, Timo Soini, predicted and got the 'big bang' he had been aiming for since taking over the party's leadership in 1997. His party has grown from a small political grouping with five MPs and 4.05% support in the previous parliamentary elections to become the third-largest party in Finland with 39 MPs in the 200-member body.

At the same time, the Centre Party leading the government suffered an astonishing defeat, losing 16 seats and gaining only 15.8% of the votes. Its main coalition partner centre-right National Coalition Party (NCP) became the biggest party in Finland with 20.4% support and 44 MPs. The largest party in the opposition, the Social Democratic Party (SDP), lost three seats but emerged as the second-largest party in Finland with 42 seats. Its 19.1% share of the votes, however, is the lowest-ever support rating received by the party.

In a country where party politics have been among the most predictable and stable in Europe since the late 1980s, the 2011 election appears at first sight as a transformative moment in time. On closer inspection, however, one appreciates that this change had already been in the air for a while. The True Finns Party leader walked away from the 2009 European Parliament elections with the largest number of individual votes. Also in the run-up to the 2011 general elections, the polls predicted a major victory to his party and Mr. Soini himself.

That Timo Soini once again was an electoral winner in terms of personal votes was not unexpected, but the extent of the True Finns' popularity throughout the country took many observers both within and outside Finland by surprise.

EPIN Commentaries offer concise, policy-oriented insights into topical issues raised by the debate on the political integration of Europe. The European Policy Institutes Network (EPIN) is a network of think tanks and policy institutes based throughout Europe, which focuses on current EU political and policy debates (see <http://www.epin.org> for more information). Unless otherwise indicated, the views expressed are attributable only to the authors in a personal capacity and not to any institution with which they are associated.

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### **Long journey to the 2011 elections**

Finland's policy as regards the bailout packages to Greece, Ireland and Portugal was a central question shaping the results of 2011 parliamentary elections. However, the soaring support for the True Finns also reflected the country's sentiments on many domestic issues such as immigration policy, taxation, pensions and support for the elderly. In addition, the result was shaped by a rather widespread dissatisfaction towards the ruling parties and the perceived absence of political alternatives.

The three major parties of the 1990s and 2000s had all participated in various coalition governments and their distinct characteristics had somewhat faded away. The convergence among the parties made it increasingly difficult for the electorate to make distinctions among them and hold them accountable in the elections. A poll published a couple of months before the elections suggested that some 30% of Finns mistakenly thought that the SDP was one of the parties in the centre-right government.

While the dissatisfaction with the established parties has steadily grown stronger, the 2007 election campaign funding scandals further discredited especially two of them, the Centre Party and the NCP. The initial hesitance and refusal to provide answers to major accusations was taken as a symptom of the political elite's detachment from the 'real world' and 'ordinary people's lives'. As a result, many older MPs were replaced with fresh faces in these elections.

Another key background factor shaping the outcome of the elections was the debate over Finland's immigration policy. Against all odds, it did not become the central question of the election debates. Importantly, the True Finns themselves downgraded their rather harsh critique on the immigration issues and emphasized their achievements in the opposition.

This strategy proved to be very effective. At the height of the immigration debate some two years prior to the elections, the government tightened its immigration policy. Also the SDP revised their policy and employed tougher rhetoric on immigration. In the election campaign, the True Finns were able to emerge as a policy initiator and a party providing credible political alternatives for others to follow. It was able to state that it was satisfied with the tightened policy and downplay any accusations suggesting radical ideological or religious features shaping their approach to immigration.

Finally – and perhaps most importantly – the European financial and economic crisis provided the True Finns with yet another policy issue within which it could emerge as a credible force for change. The Party has been consistent in its criticism of the EU and its handling of the sovereign debt crisis. It has argued against the deepening of political integration, Finnish participation in the eurozone as well as the recent treaty reforms. While the perceived wide political support for the EU in Finland has enabled the respective governments to push through these changes without referenda, the True Finns have questioned the extent of this support and called for referenda on the euro and new treaties.

### **End of consensual EU politics**

Besides the Finnish policy on managing the European financial and economic crisis, the conduct of EU policy-making was put under closer public scrutiny during the spring of 2011. The press followed actively the debate between the government and opposition as regards how the decisions were taken. The sharp disagreements about the government's negotiation mandates in the EU – and speculation on market reactions to EU decisions or the lack of them – were exposed to the public in the parliamentary debates and election campaigns. For many, this represented a breakdown of consensual political tradition, which has defined Finland's EU policy-making since the country's accession.

The Finnish way of dealing with EU affairs has attracted significant political and scholarly attention owing to the centrality of the Finnish parliament in EU affairs. In short, the government must seek the parliament's support for its EU policies; and in the EU, the government acts as the representative of the Finnish Parliament rather than in its own right.

Due to the majority governments, this distinction might seem arbitrary in practice. However, there has been a strong tendency to seek a broad consensus in the parliament's Grand Committee, which oversees EU affairs. One of the consequences of this procedure is that EU affairs have rarely been

seriously debated in the Parliament. The Grand Committee meets behind closed doors and by the time the issues reach the main chamber, the largest parties in government and opposition have usually reached a consensus.

A key outcome of the EU crisis in Finland was that the consensus among the mainstream parties broke down. For instance, the SDP did not support the government's policy on bailouts and crisis management mechanisms without reservations. Due to the breakdown of consensus, fierce debate over the issues entered the main chamber of the Parliament as well as the electoral campaigns. This provided an opportunity for the True Finns to appear as an alternative to the ruling political parties.

The unpopularity of the Finland's agreement to the EU's bailout packages also paved the way for the unprecedented defeat of the Centre Party. Due to its support in the rural areas and the adjustments that Finnish agriculture has had to make because of the country's EU membership, the party has traditionally been the least pro-European of the three major parties. However, as the Prime Minister's party, it had to carry the responsibility of EU action and defend the bailouts.

### **The True Finns' impact**

The True Finns will certainly be able to shape the country's EU policies in many fields, if they make it to the next government. However, they would need to make compromises when the programme for this new government is negotiated. Among other things, they would have to strike a deal on Portugal's bailout package.

This indicates that the Finnish EU policy might not go through as profound a change as the True Finns' rhetoric suggests. Indeed, carrying political responsibility in the government will have the effect of mainstreaming any populist party far quicker than letting it grow in the opposition.

In order to make it into the government, the True Finns would however need to turn their strident criticism of the EU into a more constructive approach. Their electoral programme for 2011 describes the EU as an undemocratic, elitist political system and the Lisbon Treaty as a step towards a federation. The True Finns aim to return decision-making powers to the national level and to relegate the role of the EU to that of acting as a body for international cooperation enabling free trade and peace in Europe.

In line with the True Finns' rhetoric, criticism of the EU equates to being pro-democracy. They support consultative referenda on key questions. In terms of enlargement policy, they oppose Turkey's membership of the EU. They also wish to diminish Finland's contribution to the EU budget and have argued for a re-negotiation of the British rebate. The True Finns want to convert Finland from being a model pupil into a critical affiliate of European integration, although they do not unreservedly argue for Finland's withdrawal from the EU or the eurozone.

Because the NCP and the SDP regard the EU as Finland's most important arena for exerting international influence, a lasting government with the True Finns cannot be built without a change in the True Finns' rhetoric. To say much more than this at this time would be pure speculation because all imaginable government coalitions are possible in Finland. Electoral winners will start the negotiations, but if they cannot agree on a common programme, others will get their turn. A traditional saying that has been used to explain this situation rings truer now than ever before "We will know nothing until we know everything."

From a pro-European point of view, any scenario may seem like bad news, but at best, this abrupt departure from the status quo might promote European democracy. Paradoxically, the European economic crisis has brought the EU closer to the Finns and for the first time since joining the EU, at least some aspects of European integration are being widely debated in Finland. Moreover, Finnish society seems to be re-politicizing on many fronts – in workplaces, on the streets and in social media – and people are once again joining political parties as well as NGOs. The 2011 elections are proving to be not only a big bang for the True Finns, but also a big bang for political activism in the country in a wide variety of forms.

## About EPIN

EPIN is a network of European think tanks and policy institutes with members in almost every member state and candidate country of the European Union. It was established in 2002 during the constitutional Convention on the Future of Europe. Then, its principal role was to follow the works of the Convention. More than 30 conferences in member states and candidate countries were organised in the following year.

With the conclusion of the Convention, CEPS and other participating institutes decided to keep the network in operation. EPIN has continued to follow the constitutional process in all its phases: (1) the intergovernmental conference of 2003-2004; (2) the ratification process of the Constitutional Treaty; (3) the period of reflection; and (4) the intergovernmental conference of 2007. Currently, EPIN follows (5) the ratification process of the Lisbon Treaty and – should the treaty enter into force – (6) the implementation of the Treaty.

Since 2005, an EPIN Steering Committee takes the most important decisions. Currently there are six member institutes: CEPS, DIIS (Denmark), ELCANO (Spain), HIIA (Hungary), Notre Europe (France) and SIEPS (Sweden).

### Status quo

Currently there are 31 EPIN members from 27 countries, also from countries outside of the EU. The 'hard core' work of the network is based on the cooperation of about 10 most active institutes. The member institutes are quite diverse in size and structure, but are all characterised by political independence and the absence of any predetermined point of view or political affiliation.

EPIN organises two major conferences in Brussels per year; as well as ad hoc conferences or other activities in member states. The network publishes Working Paper Series and other papers, which primarily focus on institutional reform of the Union. The network follows preparations for the European elections, the EU's communication policy, and the political dynamics after enlargement, as well as EU foreign policy and justice and home affairs.

### Achievements

EPIN is a network that offers its member institutes the opportunity to contribute to the 'European added-value' for researchers, decision-makers and citizens. The network provides a unique platform for researchers and policy analysts to establish personal links, exchange knowledge and collaborate on EU-related issues. Members bring their national perspectives to bear on the issues tackled and through collaboration they contribute to establish a 'European added-value' (e.g. on EU communication, flexible integration). By doing so they strengthen a common European dimension in the national debates on Europe.



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