European **Elections monitor**

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General Elections in Finland a round up one week before the election.

D-7 7 days before the poll

2,315 candidates, 39% of whom are women are standing in the general elections on 17th April in Finland. Amongst the parties represented in the Eduskunta/Riksdag (Finnish and Swedish name of the Parliament), the Greens (VIHR) are the only ones to be putting forward more female candidates than male. The Justice Ministry has created a group on Facebook on the general elections to encourage young people to vote. According to a poll by Helsingin Sanomat, three-quarters of young people aged 18-28 are going to vote. 67.9% of them voted in the last general elections on 18th March 2007. The Welfare State, inequality and unemployment are themes which mobilise young voters most. The Justice Ministry is also organising debates on the election for immigrants who now have Finnish nationality. Their number has increased by 40% in comparison with the previous general election and they now represent 1% of those registered. Early voting will be allowed between 6th and 12th April; 40% of the Finnish vote this way.

Will the "True Finns" be the first Populist Party to enter government in a country in Northern **Europe?**

Over the last few decades Finland was specific in that it had 3 parties of almost equal strength: the Centre Party (KESK) and the Conservative Assembly (KOK), on the right of the political scale and the Social Democratic Party (SPD) on the left. This three-way split is now coming to an end. "Citizens no longer really distinguish the differences between the three parties which are all very similar," declares Tuomo Martikainen, a professor at the University of Helsinki. "It can no longer be taken for granted that the Conservative Assembly will win the elections. There are now four parties (KESK, KOK, SPD and the True Finns (PS)) who each have a chance of becoming the biggest," analyses Sami Borg of the University of Tampere. Finland has never had any real opposition party. By increasing their credibility over the years and successive elections the "True Finns" have filled in the gap. "Timo Soini has broken from the traditional rhetoric which people now hate. He has succeeded in addressing traditional values and reaching the poorest," stresses Tuomo Martikainen.

The populist leader has managed to build up an image of being a man of the people and a defender of the "poor" against the establishment

Moreover further rifts have emerged in Finnish society over the last few years. The integration of immigrants with different cultures; homosexuality, Finnish values of society, and even the obligatory learning of Swedish (the country's second official language) are now issues as valid as any other in the political debate. Thousands of Finnish have left the Lutheran Church in protest against an on-line homophobic campaign. 78.2% of Finns are members of the Lutheran Church.

The Finnish Business and Policy Forum (EVA) undertook a survey at the beginning of 2011 on Finnish values and attitudes. The study which takes place every two years reveals that the Finns have become more critical about the decision making process and also about political parties; their attitudes with regard to foreigners has hardened. 40% say none of the political parties is interested in real problems, 78% believe that the political parties stand at a distance from people's problems; this is 8 points more than two years ago. "The protest cry is on the rise. Paradoxically however Finns are increasingly interested in

politics. According to a poll 56% are interested in (they were 51% 2 years ago) due to the general elections and the increasing popularity of the True Finns" analyses Ilkka Haavisto, Research Director at EVA.

Several extremist parties have already existed in Finland: far left in the 1930's and far right in the 1970's 1980's. Voters and the political classes believe that the True Finns are a credible political party and (almost) like the others. The fact that it has no neo-Nazi past explains this situation in part. The other parties think that if it enters government Timo Soini's party will suffer the same fate as that of the Rural Party (SMP) led by Veikko Vennamo, a member of the government coalition between 1983 and 1990, which was unable to keep its electoral promises; its experience in power led to its demise.

The European Union, a split in the Finnish political arena

The "True Finns" already clinched one victory in 2011 in that they set the electoral agenda. The reception and integration of immigrants as well as the EU are major themes in the electoral campaign. The Populist Party was the first to take advantage of the theme of immigration but it was not the only one to talk about it. All of the parties have hardened their attitude with regard to this over the last few years. "The True Finns do not have a monopoly over the anti-immigrant rhetoric. This has been mentioned in Parliament for a long time amongst MPs in most parties, but they have not turned it into an electoral argument," declares Jussi Förbom, a political scientist. Hence Tapani Tolli a KESK MP, said that the (generous) social system in Finland is attracting immigrants and has asked his party to give up granting residency on humanitarian grounds. Kari Rajamaeki, an SPD MP demanded greater control over immigration.

"The "True Finns" are authoritarian, support the family, law and order and are against immigration. From this point of view they are on the far right," analyses Anders Hellström, a political analyst who adds, "These parties are no longer marginal. They are established, they are now part of the dominant trend." The other parties can no longer afford not to take position with regard to these issues put forward by the "True Finns" by saying that they are unfounded or by neglecting the protest vote. Timo Soini deplores the fact that criminals have a high

level of legal protection that foreigners who have committed crimes are not thrown out more often and he often questions the annual quota of refugees. The party's Vice-President Veli-Matti Saarakkala has said that no other country has a quota like this. He wants to reduce the social aid paid out to foreigners who have obtained a residence permit.

There are 155,000 people in Finland of foreign birth, i.e. 3% of the population but their increasing number is the source of concern in a country that until now was homogeneous. "There are few foreigners in Finland in fact. But over the last few years more and more immigrants have come to work here and this is a major change," says Johanna Suurpää, a mediator responsible for minority issues. Finland relaxed its legislation enabling foreigners with a residence permit to work temporarily. In 2008 the number of asylum seekers rose from 1,434 to 4,035 people. Last year however the number from Iraq and Somalia fell by 50%.

Deindustrialisation, involvement of the political parties (KESK and KOK) in financial scandals, the debt crisis in Europe - these are the reasons which explain the rise of the "True Finns" in the polls.

But the present subject over which the Populist Party is successfully mobilising public opinion is the following: the euro area and debt crisis in Europe. The EU's present economic difficulties are a theme which find particular echo in a country in which euroscepticism has always been acute amongst one section of the population. Juhha Väätäinen, European 5,000m and 10,000m champion in 1971 and a "True Finn" member said that with the money paid to Greece Finland could build 20,000 new houses. Prime Minister Mari Kiviniemi (KESK) has tried to reassure the voters who respond to the "True Finns" anti-European arguments by saying that the country's contribution to the European Financial Stability Facility (EFSF) will not be changed. Finance Minister Jyrki Katainen, the KOK leader has adopted a hard line in the face of Ireland's request to reduce the interest rate (5.83%) on the European part of the international loan that it was granted. However he admitted that if Portugal asked for European aid Finland would have to fulfil its commitments by subscribing to increasing the EFSF's loans guarantee. "It is clear that we will have to increase the loan guarantees. Quite simply we don't know when that will happen," said

Jyrki Katainen.

Finnish President, Tarja Halonen (SPD), has said that "the good boys, like Finland and Germany were not supposed to be tomorrow's bankers (...) We are ready to protect the euro but everyone has to watch over its economy and fall in line with the rules."

Because of hesitation by Finland and the refusal of the Parliamentary Committee for European Relations to grant the government the right to enhance the EFSF the final decision of the euro area heads of State and government on this issue has been suspended and will only be taken after the election day on 17th April. "A great deal depends on the "True Finns" electoral performance and their readiness to make concessions with regard to their strict eurosceptic doctrine," said Blanka Kolenikova, an analyst with IHS Global Insight.

The political parties are divided over Finland's participation in the European Stability Mechanism (ESM) and in the EFSF. The KOK, the Greens, and the Swedish People's Party (SFP) support it. The KESK is a proponent of the European Stability Mechanism and is ready to approve doubling the EFSF if necessary. The SPD only accepts them if banks' responsibilities are taken on board; this heralds a hardening in its attitude since last summer it approved Finland's participation in the EFSF taking no account of private banks' responsibilities. The far left party, the Left Alliance (VAS), together with the Christian Democratic Party and the "True Finns" are against it.

The populists and the far left have common ground with regard to Europe. Annika Lapinitie, the Left Alliance's group leader in parliament, like Timo Soini, says that the three main parties want to transform the EU into a federal union, an idea which they oppose. In March last the Left Alliance lodged a motion of censure against the government over Finnish guarantees. The first person to sign the motion, Paavo Arhinmäki, chair of the Left Alliance accused the government of having doubled Finnish guarantees. During the vote parliament renewed its confidence in the government 104 votes against 62.

The SPD, which is usually pro-European, voted against. "The SPD was a European party but now it is following the True Finns," declared Jyrki Katainen. Timo Soini qualified the SPD's opposition as political. "If the Social Democrats had been in government they would have voted like the others," he stresses.

Timo Soini has given up trying to obtain special conditions to guarantee his party taking part in the next government. In the first TV debate in the electoral campaign on 31st March he said that if the "True Finns" entered government they would oppose the European Stability Mechanism just as they would oppose any possible bail out for Portugal and an increase in guarantees. "We shall honour the commitments made by Finland. I mean we shall support Ireland and Greece. But no more (...) our aim is to make the Finns aware that the system has to be renegotiated. We do not want to socialise the debt. This will help to transfer more national power over to the EU," said Timo Soini adding "Finland will not be thrown out of the euro area because of that."

Prime Minister Mari Kiviniemi immediately answered that in that case he could not even think about integrating the government coalition. Jyrki Katainen (KOK) said that if he were Prime Minister he would not accept a party that was against the European Stability Mechanism in his government. "So the Greens are the only party in power to enjoy certain privileges," stresses the populist leader recalling that the ecologists had been allowed to vote against nuclear energy although they were government members.

The Future of the Welfare State: key issues – taxation and redistribution

All of the political leaders support tax increases (1 to 1.5 billion €) but they differ over the solutions to give to the country's debt. Jutta Urpilainen (SPD) believes that the fiscal policy undertaken by the right has "ruined Europe's economy". She is critical about the "True Finns" programme which would mean an increase in the country's debt. The SPD wants to reintroduce a family allowance believing that in the end this would bring in 1.5 billion €. The Centre Party is totally against this believing that such an allocation is unfair and would only benefit the richest families. Prime Minister Mari Kiviniemi believes that the SPD's fiscal programme would be a "burden for business" and would lead to the destruction of thousands of jobs; she supports a moderate increase in taxes and has promised not to abolish social aid minima or family allowance. "We must not make too many cuts. We must avoid making the same mistakes as the blue/red government (SPD-KOK) after the 1990's crisis," said Mari Kiviniemi.

The KESK is aiming to create 150,000 to 200,000 new jobs during the next term in office.

At the end of March the Central Bank of Finland published its latest forecasts: GDP growth is due to rise to 3.9% in 2011 and to 2.7% in 2012. According to the National Statistics Research Institute the Finnish GDP has increased by 3% per year on average from 2001 to 2008. Erkki Liikanen, the Central Bank's governor believes that the forecasts reflect the rise of the Finnish economy which is supported by private consumption and real estate investments. The country was most severely affected by the global economic crisis that started in the autumn of 2008. The GDP contracted by 8.2% in 2009.

A recent poll shows that 79% of Finns support progressive taxation on capital revenue. According to those interviewed this would enable a reduction in income inequality, since capital revenues are not taxed as heavily as income. 63% want to see the reintroduction of a wealth tax that was abolished in 2006.

The general election on 17th April will probably give rise to a new division of power in Finland. According to all of the polls the "True Finns" may make strong progress, and they may even become the country's second most important party which would comprise a revolution. In this event, Timo Soini would find himself in the position of king maker. "If the part wins a great number of seats it will be difficult to exclude it from the pre-government negotiations," analyses Pasi Saukkonen, a political scientist of the University of Helsinki.

According to the latest poll by Research Insight Finland for the TV channel MTV3 which was published on 5th April the KOK and the KESK are running neck and neck and are credited with 19.9% and 19.8% respectively in

terms of voting intentions. The SPD is due to win 18.1% and the "True Finns" 16.2%. "It is a little early to say but this poll shows that the "True Finns" have peaked. However the support they can rally is uncertain by nature since it depends on the population's discontent and whether it expresses this," stresses Heikki Paloheimo, a professor of political science at the University of Tampere.

A poll for the Turun Sanomat shows a rise in voting intentions for the "True Finns" in the region of Turku where the party is credited with 21.7% of the vote, just behind the KOK which is due to win 21.9%. In North Savonia the Populist Party is due to win 21.7% of the vote and 17.6% in central Finland. It is also ahead of the SPD in the constituency of Uusimaa the country's biggest region where it is second with 18% behind the KOK with 26.5%. However it is not on the rise in Helsinki, 11.6%.

The "True Finns" are managing to convince Centre Party supporters who are extremely reticent about their country's support to Greece and Ireland, notably in rural areas where the party is well established. They are also attracting those close to the SPD. An internal survey by the Finnish Trade Union Confederation revealed that 10% of its members supported the "True Finns". The Confederation has one million members i.e. one fifth of the population.

Turnout will play a major role in the election result. Traditionally it is lower in Finland than in other Nordic countries. 67.9% of the Finns turned out to vote in the last general election on 18th March 2007 but 82.1% of the Swedes voted in September 2010, 75.4% of Norwegians in September 2009 and 86.5% of Danes in November 2007.

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