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War, Social Policy and the Nation as a Historical Agent **- Finland as a Nordic exception**

A very tentative draft

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Introduction

In public constructions of the national past in present Finland, two major pillars often appear: the wars of the 20th century and the making of a Nordic welfare state. Sometimes they represent rivalling ideas about the historical core of national agency, but they also intertwine.

The dominant narrative of the making of the Finnish welfare state includes the reconciled confrontation of the Civil War of 1918 between the socialist Reds and the bourgeois Whites. It also involves images and legacies of national integration during the Second World War, when Finland had two wars against the Soviet Union – the Winter War in 1939-1940 and the Continuation War in 1941-1944 – and the Lapland War in 1944-1945 for expelling the German troops, “the brothers in arms” of the preceding Continuation War. In current political debates, “the spirit of the Winter War” is often referred to for revitalising the Finnish potential to unite in defence against external threat. Ideological associations to war-time joint efforts are also evoked, for example, by the Finnish word *talkoot*, meaning that the members of community voluntarily, out of an internal sense of duty, cooperate for fulfilling an urgent

task. This rural word was in constant use in the organizing of home front activities during the Second World War, and it is popular in current political rhetoric, too. The need of national *talkoot* for rescuing the welfare state is a favourite phrase in advocating austerity politics, consensual corporatism, improved competitiveness and many other objectives.

The current rhetoric reflects the fact that the welfare state is highly popular. The ambiguity of the concept contributes to its popularity, yet the fact that no political party can gain success by manifestly opposing the welfare state also reflects its importance for everyday life and national identity. In this sense, Finland is very much like other Nordic countries. However, the rhetoric also implies national specificities concerning the linkage of the welfare state with the idea of national agency, that is, the nation as a historical agent, a basic idea of nationalism.

In Denmark, Norway and, especially, Sweden, the making of the welfare state was conceived by many contemporaries as a project of political will that was capable of changing and making use of the state and redefining the contents of national common good. In Finland, the notion of the welfare state as a determined political project never played this kind of role in contemporary discussion.¹ It only emerged in retrospect, after the era of expanding welfare state, and then as a notion of the national “we” as the creator of the welfare state. Such a consensual idea seems to be more widely shared in Finland than in other Nordic countries, especially in Sweden, where a hard struggle is going on between the Social Democrats and the bourgeois parties on the ownership of the history of the welfare state.²

Finnish national specificities stem, in part, from the fact that Finland (together with Iceland) was the Nordic latecomer in welfare state development. In Finland, even in intra-Nordic comparison, industrial take-off occurred late and the social structure long remained predominantly agrarian and rural. Even more typically than in other Nordic countries, transformations have started late but then gathered momentum. This was true, in particular, for the transition of the dominantly rural society of 1950 into an urbanized wage-work society of 1980, with public and private services as the main sector of employment.

However, the political history of social policies is not to be reduced to socio-economic structures and changes. One of the Finnish specificities in Nordic comparison is that wars

¹ Pauli Kettunen (2004) The Nordic Model and Consensual Competitiveness in Finland, in Anna-Maija Castrén, Markku Lonkila & Matti Peltonen (eds.) *Between Sociology and History. Essays on Microhistory, Collective Action, and Nation-Building*. Helsinki: SKS / Finnish Literature Society.

² *Debate on the Nordic model*. <http://www.norden.org/en/debate-on-the-nordic-model> (June 2013).

have played a more significant role. The casualties of the Civil War of 1918 – including those 13 000 Reds who died in prison camps after the war – were about 37 000 people. In the Second World War, the casualties included 95 000 soldiers and 2 000 civilians. More than 400 000 people from the territories ceded to the Soviet Union were relocated in the rest of Finland. In 1940, the population of Finland was 3.7 million. The political system and the international position of the country were profoundly preconditioned by the experiences and outcomes of the wars.

In this paper, I discuss the role of these experiences and outcomes, notably those of the Second World War, in the process we from our post-perspective can call the making of the welfare state. In this process, the consequences of urgent war-time problem definitions and solutions, war-time post-war planning, from-war-to-peace social and the economic policies, the post-war changes of the political system and the positioning of Finland in the Cold-War world were intertwined. They were mixed as different temporal layers in how the making of the welfare state was associated with concerns about the agency of the nation. This is here my perspective to war and social policy. In the language of historical institutionalism one could say that the war time was not just a critical juncture but also a phase of long-term gradual institutional and discursive changes, in which existing rules were replaced by new ones (displacement), new rules were attached to existing ones (layering), existing rules were provided with new meanings and functions (conversion) and the impacts of the existing rules were changed by the shifts in external conditions (drift).³ I will focus on these kinds of gradual change, although not applying the institutionalist vocabulary.

In what follows, I firstly discuss the legacies of the wars of 1939-1945 as they appear in later interpretations of national history. I then put the war-time experiences and outcomes into the context of historical continuities concerning the politics and tensions of national integration in Finland. The next step is an interpretation on how social policies were connected with the notion of national necessities that was reinforced by the conclusions drawn from war-time experiences and outcomes. Finally, I will examine an aspect of these conclusions that was crucial for the making of the welfare state: defining and structuring the nation-state society as a target of social knowledge and planning.

³ James Mahoney & Kathleen Thelen (2010) A Theory of Gradual Institutional Change, in James Mahoney & Kathleen Thelen (eds.) *Explaining Institutional Change. Ambiguity, Agency, and Power*. Cambridge: Cambridge University Press, 15-18.

Controversial legacies of the wars

According to neo-patriotic post-Cold-War historical interpretations, the result of the Second World War was for Finland a “defensive victory”, mainly achieved by military efforts and sacrifices. It preserved the country unoccupied, independent, democratic, Nordic, Western and neutral, although within the limits of a special relationship to the neighbouring Soviet Union.

It is easy to include war-time social political efforts and achievements in this interpretation. In the field of industrial relations, the so-called January Engagement during the Winter War in 1940 is celebrated as the beginning of consensual policies. The account echoes the older post-war narrative of Finnish social policies, in which this agreement between the peak organizations of trade unions and employers was assessed as the “historically most important” social political achievement of the war time.⁴ In the agreement, a very short joint declaration, the two organizations promised to negotiate in the future about their common issues. The practice of mutual negotiations was institutionalized by corporatist representation in war-time economic regulation, and after the Continuation War, decades later than in Denmark, Sweden and Norway, it led to the system of collective labour market agreements.

In the post-war story of the development of Finnish social policies, the domestic war-time problems and solutions, associated with international inspirations, most notably the Beveridge Plan, were interpreted as the decisive reinforcement of social political thinking. In addition to law-based benefits to disabled soldiers and the families of fallen soldiers in form of pensions and support for employment and education, voluntary organizations played a crucial role.⁵ In the organizing of war-time production, distribution and the allocation of scarce labour power as well as in the arrangements of social support, linkages were established between voluntary organizations, cooperating across political borderlines under new national umbrella organizations, and governmental authorities at central, provincial and local levels. The war-time legacy of national integration included these home front experiences and what was called “the spirit of companions in arms”. It has been popular to explain later compromises in social and labour market policies, for example the pension reform of 1961 and the beginning of the so-called incomes policy in 1968, by the shared

⁴ Heikki Waris (1973) *Suomalaisen yhteiskunnan sosiaalipolitiikka*. Viides painos. Porvoo: WSOY, 24-25.

⁵ Waris 1973, 24-26; Kyösti Urponen (1994) *Huoltoyhteiskunnasta hyvinvointivaltioon.*, in: Jouko Jaakkola, Panu Pulma, Mirja Satka & Kyösti Urponen: *Armeliaisuus, yhteisöapu, sosiaaliturva. Suomalaisten sosiaalisen turvan historia*. Helsinki: Sosiaaliturvan Keskusliitto, 213-216.

battle experiences and companion-in-arms spirit of the men that now met each other as trade union and employer leaders. In terms of empirical evidence, this explanation proves to be questionable.⁶ It is true, however, that in the municipal policies of many cities the so-called companions-in-arms axis between Social Democrats and Conservatives was effective during post-war decades.

Instead of the legacies of war-time ideas and practices, however, many contemporaries and later commentators found the end of the Continuation War as the beginning of a new democratic era. With varying emphases, the Communists and also those among Social Democrats and the representatives of centre politics and cultural liberalism who had formed the so-called peace opposition in the last phases of the Continuation War represented such an account. The new era could not be interpreted as an achievement of resistance, because no powerful resistance movement had existed. Nevertheless, one could with good reason argue that after the national unity of the Winter War, significant left-wing political protests emerged and a large machinery of the ideological and repressive control of opinions was needed for maintaining national cohesion in the time between the Winter War and the Continuation War and during the Continuation War. Not only many Communists but also the leaders of the left-wing opposition of the Social Democratic Party sat in prison during the Continuation War. In the late 1940s, the concept of “Second Republic” was coined by the advocates of new policies. It did not refer to any constitutional change – the constitution of 1919 remained untouched – but was meant to point out the post-1944 changes of foreign policy, notably in the relation to the Soviet Union, and the widening of democracy, indicated, not least, by the legitimate and influential role of labour movement in politics and working life. This account of the post-war change gained wide support especially in the 1960s and 1970s.

Currently, historians are conducting research on war-time control policies, the dark sides of the collaboration with Nazi Germany, the harsh treatment of Soviet prisoners of war, and the practices of ethnic segregation in Eastern Karelia, the part of Karelia that has never belonged to Finland but was occupied by Finland in the Continuation War. However, in public debates those representing the post-Cold-War neo-patriotic perspectives are influential, pointing out the general legitimacy and correctness of Finnish war-time decisions. In their view, a period of great injustice and danger began from the treaty of armistice between Finland and the

⁶ Raija Julkunen & Jussi Vauhkonen (2006) *Suomalainen ihme*, in Juho Saari (ed.) *Historiallinen käänne. Johdatus pitkän aikavälin historian tutkimukseen*. Helsinki: Gaudeamus, 289-319.

Soviet Union and the United Kingdom (that also had in 1941 declared war on Finland, yet without subsequent military actions) in 1944.

In addition to territorial losses, Finland had to pay large war reparations and to put on trial war-time leaders (prison sentences were issued to eight political leaders, including President Ryti and the leading Social Democrat Tanner but not Marshall Mannerheim, the Commander-in-Chief of the White Army in 1918 and the Finnish Army in the wars of 1939-1945, whose status as the most respected national figure Stalin obviously took into consideration). The Communists rose from illegality to a major political force and the organizations categorized as fascist or anti-Soviet were banned. The banned organizations included the vast paramilitary Civil Guard organization that had been built on the basis of the White guards in 1918 and its sister organization, Lotta Svärd. Among the banned organizations was The Finnish League of Companions in Arms, which had been founded in 1940 after the Winter War for social support and assistance to soldiers and their families, war invalids, widows and orphans and for controlling political opinions and mental atmosphere, especially among workers. Several young Social Democrats were active in this organization and after the war many of them became leading figures in the Party and in the struggle against Communists in labour movement, which is highly appreciated in the post-Cold-War historiography.

Put together, the controversial interpretations of the legacies of the wars create an image in which these legacies are simultaneously connected with deep conflicts and deep consensus. I will next try to contextualize the social-policy-related experiences and outcomes of the wars by means of a historical construction of Finland as a Nordic country with too much conflict and too much consensus.

Too much conflict and too much consensus

It is easy to find evidence for a conflict-laden past of Finland. The Civil War of 1918, with its class-based preconditions, had long-term effects through social memory and political institutions. In the post-World War II era, the relatively strong support of the Communists was one of the political phenomena that made Finland exceptional in the Nordic context. In industrial relations, obvious “low-trust” elements appeared until the 1980s, indicated by comparative strike statistics. The parliamentary system was unstable and short-lived governments were typical of Finland until the early 1980s.

However, also the argument finding in Finland a special emphasis on national consensus can be easily supported by historical information. One may refer to the remarkable national unity during World War II, especially during the Winter War, with its long-term ideological legacy. During the Cold War, the political agenda and political agency were shaped by the necessity to cope with the tight limits of manoeuvre in international politics. Many economists and sociologists have also pointed out the special capability of Finnish export industry to gain the hegemonic power of presenting its particular interests (international competitiveness) as the general national interest.⁷

The Finland of too much conflict and the Finland of too much consensus preconditioned each other. In the process of state making and nation building, it arguably became less legitimate in Finland than in other Nordic countries to conceive the state as an instrument that can be used according to changing political power relations. In Finland politics were, rather, supposed to put in action the inherent agency of the state that was understood as the instance defining and meeting the necessities of national existence. The notion of national politics meeting and fulfilling external necessities was reinforced by the experiences and outcomes of wars. This consensual notion was widely shared, at the same time as conflicts easily appeared on the definition and representation of these necessities.

The ideal of national consensus developed in the 19th century nation building that took place in the former Eastern provinces of the Swedish realm, which in 1809-1917 formed the Grand Duchy of Russian Emperor. In Finland, the old Swedish law and the Lutheran religion further prevailed and among the leaders of “the national awakening”, the Hegelian mode of thought became influential. In this particular mental framework, the political conflicts tended to be shaped as struggles for the right way and privilege to speak in the name of the whole, “the people”. This was characteristic of the controversies between the so-called Fennomans and the so-called Liberals since the 1860s, concerning the roles of language, culture and political institutions in the making of the nation.⁸ It was also characteristic of the conflicts at the turn

⁷ E.g. Pekka Kosonen (1993) *The Finnish Model and the Welfare State in Crisis*, in Pekka Kosonen (ed.) *The Nordic Welfare State as a Myth and as Reality*. Renvall Institute Publications 5. Helsinki: Renvall Institute, University of Helsinki; Jukka Pekkarinen (1992) *Corporatism and Economic Performance in Sweden, Norway, and Finland*, in Jukka Pekkarinen, Matti Pohjola & Bo Rowthorn (eds.) *Social Corporatism. A Superior Economic System?* Oxford: Oxford University Press.

⁸ Risto Alapuro (1988) *State and Revolution in Finland*. Berkeley: University of California Press, 92-98; Tuija Pulkkinen (1999) *One Language, One Mind. The Nationalist Tradition in Finnish Political Culture*, in Tuomas M. S. Lehtonen (ed.) *Europe's Northern Frontier. Perspectives on Finland's Western Identity*, Jyväskylä: PS-Kustannus; Matti Klinge (1993) *The Finnish Tradition. Essays on structures and identities in the North of Europe*, Helsinki: Societas Historica Finlandiae..

of centuries, concerning the right way to defend the autonomy of Finland in the time when tensions emerged between the consolidation of Finland as a separate political, economic and cultural unit and the Russian efforts for more administrative unity in the Empire.

The national integration in terms of increased cultural homogeneity⁹ greatly contributed to the development of class conflicts. The nation as “imagined community”¹⁰ (Anderson 1983) provided socially subordinated groups with criteria for the critique of prevailing circumstances and with a frame of reference in which they could politically interpret and generalise their local experiences of injustice. In one of the most rural countries of Europe one of the – in relative terms – largest labour movements in the world emerged. The strength of the Finnish labour movements was based on its success to create alliance between urban workers and rural landless workers and tenant peasants. The conflicts between bourgeoisie and labour movement were also shaped as a struggle on the right to represent the true “will of the people”. This kind of conflict was evident also in the Civil War of 1918, preconditioned by the intertwined international crisis and domestic class-based conflicts.

Despite the counter-revolutionary outcome of the Civil War, Finland was by the constitution of 1919 established as a parliamentary republic. Again, this solution had its prerequisites in international transformations. The alliance of the White winners with the German Empire lost its basis as the German Empire not only lost the World War but also dissolved through revolution. However, parliamentary democracy sustained in Finland in the 1920s and 1930s as the form of political system, even though it was threatened and limited by right-wing pressure, especially in the early 1930s. The sustaining of democratic forms made Finland exceptional among the new nation-states created through the collapse of multiethnic empires.

Any explanation of this exceptionality must recognize that the Nordic political traditions had played a crucial role in the Finnish nation building. However, after the abortive revolution of 1918, it was unthinkable that the Social Democracy could have achieved a position of defining normative standards of the society as the Swedish Social Democrats could in the 1930s. ‘Nordic’ was an attribute of Finnish society, but its meaning was a matter of political struggle, not only due to the conflicts concerning the position of the Swedish language in Finland, but also because of a charge from the confrontation of the Civil War. In the White

⁹ Alapuro 1988, 92-110.

¹⁰ Benedict Anderson (1983) *Imagined Communities. Reflections on the Origin and Spread of Nationalism*. London and New York: Verso.

heritage of the Civil War, 'Nordic' was associated with the idealised tradition of the free Nordic peasant and local community, whereas for the Social Democrats, 'Nordic' in the 1930s began to represent democracy in contrast to authoritarian regimes and also in contrast to the prevailing state of industrial relations in Finland. The concept of Nordic democracy, as it was defined in the co-operation of the Nordic Social Democrats in the 1930s, included a combination of parliamentary political democracy and institutions of collective negotiation and agreement on labour markets. In this sense, "Nordic democracy" became a criterion for the critique of the Finnish society in which the employers until World War II mostly refused to make collective agreements with the trade unions. Finland was a Nordic society, yet did not fulfil the democratic criteria inherent in 'Nordic'; this was an argument of the Social Democratic trade union leaders in the 1930s.¹¹

For the development of the notion of Finland as a Nordic democracy, the coalition of the Social Democratic Party and the Agrarian Party in the late 1930s was important. This coalition crossed the borderline of 1918 and contributed to national integration and the stabilisation of parliamentary democracy – although the limits of democracy were marked by the illegality of the Communist Party until 1944. The so-called Nordic orientation of the Finnish foreign policy in the late 1930s became associated with "Nordic democracy", localising Finland in the world of threatened democracy and the increasing danger of war. In the "Nordic democracy", the principle of parliamentary democracy could be combined with varying ideological ingredients: the idealised traditions of free Nordic peasant and local self-government, the strength of voluntary associations, or the aim of collective agreements in industrial labour markets.

The coalition of the Social Democrats and the Agrarian Party was not an outcome of conclusions drawn from the Depression to the same degree as the corresponding earlier compromises between workers and farmers in Denmark, Sweden and Norway were. Nor did this political coalition prove to be a step for the Finnish Social Democrats to a position of dominant political power, although their position in the political system of the late 1930s might appear similar to that of their Scandinavian counterparts, not least in terms of their electoral support.

¹¹ Pauli Kettunen (2006) *The Power of International Comparison – A Perspective on the Making and Challenging of the Nordic Welfare State*, in Niels Finn Christiansen, Klaus Petersen, Nils Edling & Per Haave (eds.) *The Nordic Model of Welfare – a Historical Reappraisal*. Copenhagen: Museum Tusulanum Press, 55-59.

One element of the Scandinavian class compromises was strikingly absent in the Finland of the 1930s. The Finnish employers, especially in the manufacturing industries, were until World War II able to maintain a policy of refusing to enter into collective agreements with the trade unions. The rate of unionization was in Finland much lower than in Sweden, Denmark and Norway, which as early as the 1930s were at the top in the international statistics of unionization.

During the Winter War 1939-1940 it was important to convince the Nordic and Western opinion that the target of Soviet aggression was a democratic Nordic country. This was a crucial factor, motivating the employers' organizations to recognize trade unions in the January Engagement in 1940.

In any case, in Finland the Social Democrats – or, for that matter, any single political party – did not become *the* agenda setter in public policies. The Social Democrats faced the Communists as their hard rivals in labour movement after the Civil War and still more after the Continuation War when the period of the total illegality of Communism, 1930-1944, ended. Since the 1920s, the Agrarian Party (from 1965 the Centre Party) played a central role in the political system and in social policies, as an opponent and as a coalition partner of working-class parties. Agricultural policies were closely connected with social policies, two policy sectors that partly represented competing views on the problems of social order. And until the 1960s, the power of cultural conservatism still reflected the heritage of the counter-revolutionary White victory in 1918, a continuity that was far from totally broken by the post-World-War-II political changes.

In the early 1960s, the sociologist Erik Allardt distinguished between four “basic cleavages” of the Finnish society. They existed between the Finnish-speaking and Swedish-speaking Finns; rural and urban Finns; working class and bourgeoisie, and the Communists and the rest of the people.¹² One might interpret that the political significance of these cleavages partly stemmed from their historical anchorage on rivalling claims of speaking in the name of the “people” or the “will of people”.

Actually, the idea that the Finland of too-much-conflict and the Finland of too-much-consensus were two sides of the same coin can be found in Allardt's diagnosis. At that time

¹² Erik Allardt (1964) Patterns of Class Conflict and Working Class Consciousness in Finnish Politics, in Erik Allardt & Yrjö Littunen (eds.) *Cleavages, Ideologies and Party Systems*. Helsinki: Westermarck Society, 97-131; Erik Allardt (1964) *Yhteiskunnan rakenne ja sosiaalinen paine*. Werner Söderström Osakeyhtiö: Porvoo, 144-151.

sociology achieved the status of being the science of national integration. A major problem (or symptom of an underlying problem) concerning national integration was included in the fourth cleavage of the list: the Communists and the rest of the people. In the Durkheimian spirit, and inspired by the class conflict theory of Ralf Dahrendorf, Allardt concluded that in a modern society with the deepening division of labour, social integration could only be reinforced by decreasing the pressure of conformity. Conflicts, when recognised and thus institutionalised, would promote integration and improve the performance capacity of the society.

In 1945, the Communists, the Social Democrats and the Agrarian Party had formed a coalition government, but this collaboration, and the Communist participation in government, only lasted until 1948. Within trade union movement, the Social Democrats were dominant since the late 1940s. Nevertheless, with their solid electoral base of around 20 %, their strong positions in many trade unions and their real and assumed support from the Soviet Union, the Communists could be found as a major challenge of national integration.¹³ After the 1966 elections in Finland, resulting in the Socialist majority in the parliament, the so-called popular front government was formed, consisting of Social Democrats, Communists and the Centre Party (former Agrarian Party). The Communists were integrated in the reformist politics through the coalition governments with the Social Democrats and the Centre Party as well as through cooperation with the Social Democratic majority in the trade union movement. True, the process did not only result in political integration but also in an actual although not formal split within the Communist Party between the reformist majority and the minority preserving its strong loyalty to the Soviet Union and proletarian internationalism.

The left-wing majority governments in 1966-1970 have remained in the history books as the ones that set broad term welfare state policies in Finland into motion. Indeed, one may say that in the late 1960s the willingness to compromise reached a point where it became possible to gain broad political support for major Nordic-type reforms in social and educational policies as well as in industrial relations. However, the welfare state was no “project” in Finland before it in the 1980s and 1990s turned into an achievement to be defended. It was not a concept of expressing the goals of Socialist parties. On the other hand, important reforms on pension systems, sickness insurance and unemployment policies had been already

¹³ Johanna Rainio-Niemi (2008) *Small State Cultures of Consensus. State Traditions and Consensus-Seeking in the Neo-Corporatist and Neutrality Policies in Post-1945 Austria and Finland*. Doctoral Dissertation in Political History. Helsinki: Faculty of Social Sciences, University of Helsinki.

made in 1955-1965, a period of great parliamentary instability, and all these social security reforms were achieved through interest conflicts and compromises within the limits of what was conceived as national economic and political necessities. These necessities were in the 1950s and 1960s associated with a profound structural change that was preconditioned by the previous path-dependent way of dealing with the outcomes of the war.

Social policy responding to national necessities

The political role of freeholder peasants and the cultural tradition of the “Lutheran peasant Enlightenment”¹⁴ have been emphasised in historical accounts of the Nordic welfare state. However, even for Sweden, one may question the narrative of a straight road from “the Lutheran peasant Enlightenment” to “the Social Democratic welfare state”, and for Finland, this is still more the case. This account has an excess of egalitarian individualism in the rural community and too much Social Democracy in the welfare state.

In the political conclusions of White winners of the Civil War, the free landowning peasant became the symbol of the White army as the antithesis of the harmful Red alliance between urban workers and rural landless population. The free independent peasant also constituted the ideological centre around which “social peace” had to be “rebuilt” and defended against the threats associated with the collectivity of wage-workers.¹⁵ The ideology that made “the will to work” of the independent farmer to the core of social peace provided ideological legitimisation for the policy of industrial employers who were until World War II able to adhere to the policy of refusing collective agreements with trade unions.

The expansion of the rural class of small farmers continued to be a major project of social and political integration up to the 1950s. This was also a crucial policy in dealing with the outcomes of the Second World War. As a result of the 1940 Moscow Peace Treaty that concluded the Winter War in March 1940, Finland ceded the area of Finnish Karelia and some other territories to the Soviet Union. The treaty did not require Finland to empty the territory, but almost 100 percent of its population chose to relocate. About 410 000 Finnish Karelians, or 12% of Finland's population, were relocated into the rest of Finland. During the Continuation War most of the displaced population returned to Karelia, but in summer 1944

¹⁴ Øystein Sørensen & Bo Stråth (1997) Introduction: The Cultural Construction of Norden, in Øystein Sørensen and Bo Stråth (eds.) *The Cultural Construction of Norden*. Oslo: Scandinavian University Press, 24

¹⁵ Pauli Kettunen (1997) *Työjärjestys. Tutkielmia työn ja tiedon poliittisesta historiasta*. Helsinki: Tutkijaliitto, 103-124.

they were evacuated again. After the armistice between the Soviet Union and Finland in September 1944 and the final Paris Peace Treaty in 1947, the population of the ceded territories was permanently settled in Finland by giving them homesteads. The right to homesteads was extended also to veterans of war and widows and orphans of war.

Thus, as the result of the policies drawing from the experiences of the Civil War and the Second World War, the number of small-size farms increased until the 1950s. Their livelihood was dependent on the linkage between agriculture and wood processing industries through peasant-owned forests and, especially, the seasonal demand for labour power in logging. As this linkage weakened through technological development and the diminished need of labour power in forestry, the change of socio-economic structures rapidly accelerated in the late 1950s and culminated in the 1960s.

The Finnish welfare state was build up by efforts to manage this structural change and a simultaneous large-scale challenge: the very large baby boom cohorts entered schools and working life. Social policy reforms and the reforms of educational system were an integral part of the making of industrialized and urbanized wage work society.

The prerequisites of the reforms were defined by the post-war accounts on Finland's position in international economics and politics. The immediate post-war time, including the reparations to the Soviet Union (mostly in products of metal industries that had to be largely extended) and the comprehensive system of rationing, ended in early 1950s, and a more or less articulated national strategy of prosperity was widely adopted. It was based on a high rate of investment and the hope and assumption that sacrifices in the form of a more moderate growth of consumption would result in general prosperity in the future.¹⁶ A traditional mode of thought and action was reinforced in which social policies are assessed from the point of view of the limits of economic resources.

A divergent argument, pointing out a virtuous circle between expanding social policies and economic growth, also appeared, most programmatically in Pekka Kuusi's book on the social policy for the 1960s (1961). Promoting social equality through the redistribution of income, social security and labour power policy would release people's productive capacities; the vicious circle between poverty and passivity would be broken. Nevertheless, also in Kuusi's

¹⁶ Matti Pohjola (1994) *Nordic Corporatism and Economic Performance: Labour Market Equality at the Expense of Productive Efficiency?*, in Timo Kauppinen & Virpi Köykkä (eds.) *Transformation of the Nordic Industrial Relations in the European Context*. IIRA 4th European Regional Congress, Helsinki, Finland 24-26 August, 1994. Helsinki: The Finnish Labour Relations Association, 237.

argumentation there was a strong emphasis on national necessities that derived from the place of Finland in the world of international competition between national societies. Finland was situated between two highly dynamic and growth-oriented societies: Sweden and the Soviet Union. The mission Kuusi outlined was indeed a matter of life and death: if we want to survive between these two societies, “we ourselves are doomed to grow”.¹⁷

Kuusi was not advocating any third way between the societal systems of Sweden and the Soviet Union. His argument was, rather, an example of the Finnish tendency to avoid any explicit association of social policy with the Cold War confrontation. In reality, this confrontation *was* a significant factor behind social-political considerations. The relatively strong support for Communism, in particular, was a major concern for all those who believed in social policies as a means of national social cohesion, and even for the political right, notably the National Coalition Party, an actively anti-social-policy stance was not a viable alternative.¹⁸ However, while the Swedish Social Democrats declared that they represented a Third Way between Capitalism and Communism, in Finland the dominant orientation was to depoliticise social policies. Thus, social reforms were often discussed as functional needs, pragmatic steps along the road of general progress within the limits of the economic resources, or as issues of the pragmatic adjustment of conflicting interests in the name of the common national interest.

To be sure, in Kuusi’s book the tone was different: the programme for Finnish social policies was located in the context of nothing less than world history. However, this meant that it was located in the sphere above – or beneath – the political and inter-systemic confrontations between East and West, in which the basic process was the evolution and growth of industrial society, with Sweden and the Soviet Union exemplifying such a society. This implicit convergence ideology had obvious advantages for the national(istic) legitimisation of social policies in the era of the Cold War.

¹⁷ Pekka Kuusi (1964) *Social Policy for the Sixties – a Plan for Finland*. Helsinki: Finnish Social Political Association, 59.

¹⁸ Cf. Jyrki Smolander (2000) *Suomalainen oikeisto ja ”kansankoti”*. *Kansallisen Kokoomuksen suhtautuminen pohjoismaiseen hyvinvointivaltiomalliin jälleenrakennuskaudelta konsensusajan alkuun*. *With an English Summary: The Finnish Right Wing and ”Folkhemmet” – Attitudes of the National Coalition Party toward the Nordic Welfare Model from the Period of Reconstruction to the Beginning of Consensus*. Bibliotheca Historica 63. Helsinki: SKS/Finnish Literature Society.

Society as a target of knowledge and planning

The way Kuusi defined social problems and solutions also bore long continuities, not only in his ethos and pathos of internal national will responding to external necessities, but also in that he examined the modernizing nation-state society from the intersecting perspectives of economic rationalization, social integration, and individual self-disciplination. The Second World War enhanced this mode of defining problems and solutions. New and old elements were mixed in how the society was structured as a target of knowledge and planning.

The promotion of economic efficiency, or “rationalization movement”, had been discussed in Finland since the import of the ideas of *scientific management* before the First World War. Although Finland was only indirectly involved in the First World War, the linkages to the war economy of the Russian Empire provided some incentives for similar efforts for more rational organizing of urgent economic activities that were characteristic of the countries participating in the war.¹⁹ During the Second World War, rationalization was very explicitly declared as a joint national task and necessity. For introducing and implementing time and motion studies, the main method of Taylorism, a special office was founded in connection with the Army Headquarters. The German “rationalization movement” had inspired Finnish engineers since the early 1920s, and lessons were adopted from Germany in the war time, as well. For many advocates of rationalization, in Germany rationalization was oriented to the common good of the people and the nation and had thus a better “spirit” than in America where the interests of private companies had been too dominant. Such a view was not always associated with sympathy towards the Nazi regime. Yet it was clear that the trade union leaders who were involved in war-time rationalization efforts did not look at German models of labour relations but wished to associate British and Swedish ideas of industrial and economic democracy with rationalization.²⁰

The rationalization efforts were, on one hand, focused on the acute tasks of exceptional war-time circumstances as, for example, the management of hugely increased railway transportations, reorganizing industrial production for military needs, and organizing fortifications, all this by means of scarce and largely unskilled labour power. On the other

¹⁹ Paul Devinat (1927) *Scientific Management in Europe..* Studies and Reports. Series B (Economic Conditions). Geneva: International Labour Office.

²⁰ Pauli Kettunen (1994) *Suojelu, suoritus, subjekti. Työsuojelu teollistuvan Suomen yhteiskunnallisissa ajattelu- ja toimintatavoissa.* With an English Summary: *Protection, Performance, and Subject. Labour Protection and the Social Modes of Thought and Action in Finland, c. 1880–1950*, Historiallisia Tutkimuksia 189, Helsinki: Suomen Historiallinen Seura, chapters 8 and 9.

hand, the ethos of rationalization as a binding national task also linked together earlier international Great-Depression conclusions concerning the need of the national economic “rationalization of rationalization” (as an ILO report in 1931 put it²¹) and the war-time international ideas of “post-war planning”. According to a widely shared view, the greatly increased state intervention implied a permanent shift and would only in part be removed after the war.²² In Finnish war-time debates the New Deal, the Beveridge Plan and the Nazi German social policies were all referred to as evidence of the new active role of the state in the future post-war world.

After the war, the defining of national necessities clearly became a matter of political controversies. Yet also the Communists shared much of the mode of thought pointing out economic rationalization as an urgent national task, not least due to their view according to which the reparations to the Soviet Union – a crucial economic necessity in Finland until 1952 – were an antifascist and democratic national duty. Both the Communists and the Social Democrats interpreted their as such divergent socialist goals as the shift to real national economic rationality.²³

The notion of the nation-state society as a functional whole to be rationalized and planned was fostered by the concerns about the quantity and quality of population. After the Winter War, in 1941, The Population and Family Welfare Federation (*Väestöliitto*, currently in English: The Family Federation of Finland) was founded for this purpose in a strong pronatalist spirit. After the Second World War, the federation, led by a leader of the Agrarian Party, became an active initiator for societal planning aimed to facilitate the education and employment of baby boom cohorts and, further, for efforts to control the accelerating socio-economic and regional changes by means of science-based planning. In the war time, the concern about children’s living conditions and malnutrition gave impetus to a Nordic project, initiated by several voluntary associations, that transferred 70 000 – 75 000 Finnish children to Sweden and, to a lesser extent, to Denmark, where they lived in private families and, for the most part but not all, returned home after the war. The experiences of these “war children” are one of the subjects of the current debate on the long-term mental consequences

²¹ International Labour Office (1931) *The Social Aspects of Rationalisation. Introductory Studies*. Studies and Reports, Series B (Economic Conditions) No. 18. Geneva: International Labour Office, 376

²² Kari Teräs (2013) Private entrepreneurship and the state. Discursive power struggles during the regulated economy 1939-1949, in Heidi Haggrén, Johanna Rainio-Niemi & Jussi Vauhkonen (eds.) *Multilayered Historicity of the Present. Approaches to social science history*. Publications of the Department of Political and Economic Studies 8, Helsinki: University of Helsinki, 189-214.

²³ Kettunen 1994, 343-344.

of war in Finland.²⁴ The concern about children's wellbeing and the nation's vitality also resulted, for example, in the decision of the Parliament in 1943 that all primary schools had to provide a free lunch to all children (true, the municipalities had five years to implement this decision). A bill on cash support to poor families with many children was passed in 1943.

Women's associations played a significant role in initiating and implementing war-time population and family policies. Many of their leading persons advocated urban middle class family ideals, yet with limited success. In a rural society as Finland, the gender division of labour never followed male-breadwinner ideals, and women – even married women – had for a long time worked also in manufacturing industries. The role of female labour power still largely increased in the war time, in all sectors of economy, and this change in the gender division of labour only in part remained a temporary war-time phenomenon. Women's participation in industrial working life was supported by the fact that instead of large unemployment that had been assumed to emerge after the return of men from the front, the shortage of labour power continued by the end of the 1940s. A male-breadwinner model was promoted by war-time and immediate post-war ideas of family allowances as a part of wage settlement, but these ideas were rejected, and in 1948, at the same time as in other Nordic countries, child allowances began to be paid to all mothers. This was the first universalist social benefit in Finland.²⁵

The quantity and quality of population as a target of knowledge and politics was interlinked with the issue of how to fit individuals into the functions of society. This was an urgent problem in the war-time national agenda of politics and administration. Classifications of jobs according to the amount of needed food and calories were developed as well as categorizations of people according to their occupational skills and political reliability. Classifying medical practices was needed in the treatment and employment of disabled soldiers, and the development of psychiatric methods was fostered by the need to somehow recognize the most acute and obvious psychic damages; in the Continuation War about

²⁴ Aura Korppi-Tommola (2008) War and children in Finland during the Second World War. *Paedagogica Historica*, Vol. 44, No. 4, 445–455

²⁵ Tapio Bergholm (2013) Decline of civil servant privilege, A new look at the historical development of Finnish social policy, in Heidi Haggrén, Johanna Rainio-Niemi & Jussi Vauhkonen (eds.) *Multilayered Historicity of the Present. Approaches to social science history*. Publications of the Department of Political and Economic Studies 8, Helsinki: University of Helsinki, 315-319.

17 000 “shaken-up” soldiers were taken into psychiatric care and treated with new methods such as electroshock and insulin shock.²⁶

In many ways, war time experiences gave inspiration that was turned into institutional practices in the first post-war years. This was obvious in the foundation of the Institute of Occupational Health. The decision on foundation was made in 1945, and the institute was in full-scale action since 1951. The institute was initiated by young doctors and organized by the cooperation of governmental authorities and employer organizations and trade unions. In the activities of the institute, the knowledge of physician, engineer, and psychologist were combined. Models were obtained not only from Sweden but also the United States. The American pragmatist orientation inspired an attempt to combine different fields of scientific knowledge in solutions of working life problems. The Rockefeller Foundation gave significant economic support for the institute.²⁷

Finland did not join the Marshall Plan, due to the Soviet Union’s opposing stand. However, the Western and, especially, American connections played an important role, not only for the received international post-war social aid, but also for the ideological and practical orientation in how the problems of industrial working life were defined as targets of science-based knowledge. This was obvious in the Institute of Occupational Health and also in the Institute of Industrial Supervisor Training (*Teollisuuden Työnjohto-opisto*, currently: Management Institute of Finland) that was founded by employer organizations in 1945. Courses of the American program The Training Within Industry were in the late 1940s adopted in the curriculum of the institute.²⁸ More generally, the American ideas of management became in various ways connected with the efforts of science-based societal planning.

Concluding remarks

The war-time experiences came to foster the notion of society as a functional whole that must and can be steered and rationalized by means of scientific knowledge. They also created prerequisites to a problem definition focusing on how to fit different individuals into the different functions of society. However, there was also a third level that, on the basis of war-

²⁶ Ville Kivimäki (2013) *Battled nerves – Finnish soldiers’ war experience, trauma, and military psychiatry, 1941–44*. Turku: Åbo Academi University.

²⁷ Kettunen 1994, 378-392.

²⁸ *Ibid.*, 355-361.

time experiences, was defined as a target of problem-solving knowledge. It was found between society and individual, a social sphere that could not be reduced to the norms and institutions of the large society not to the properties of individual people. This was discussed in sociological studies of the 1940-50s about conflicts between the official and unofficial norms and about group dynamics as a force with its own autonomous laws, a phenomenon recognised in soldiers' collective behaviour in army units and later in post-war industrial working life.²⁹ One of the most influential treatments was that given by Väinö Linna in his novel *The Unknown Soldier* (1954). Linna's novel and sociological studies implied that disobedience and conflicts between official and unofficial norms were characteristic of Finnish culture and, moreover, that they could have a positive potential on the operations of an organisation.

Here a perspective opens to the question on experiences and outcomes of war in how the idea of national agency was associated with the making of the welfare state in Finland. One can historically recognize a strong ideal of national consensus that often gave impetus to conflicts about who in the right way represents the true will of the people. The experiences and outcomes of the Second World War, on one hand, contributed to the continuity of the Finland of too much consensus and too much conflict and, in this way, played a role in the making of the welfare state. On the other hand, however, war-time experiences also turned to new positive meanings given to an old feature of Finnish political culture that Risto Alapuro depicts as "a curious combination of the demand for unanimity and the toleration of disagreement".³⁰

The line of argument concerning the potentially positive impacts of conflicts re-emerged with new strength in the 1960s sociological and sociologically-inspired political discourse. By recognising conflicts and institutionalising them, the efficiency and cohesion of society could be improved. This seemed at first to fit poorly the influential tradition in which politics was conceived in Finland as involving the implementation of national necessities for the general interest. However, the reception and influence this kind of argument had in the politics of social policies were still preconditioned by the idea of the nation-state society as a historical agent that by means of its internal will and capacity responds to external necessities.

²⁹ Kettunen 1997, 163-165.

³⁰ Risto Alapuro (1997) *Suomen älymystö Venäjän varjossa*. Helsinki: Tammi, 196.