LAYERS OF DISUNITY:

The Presidential Politics of Finnish Business, 1981–1982

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This article examines the political activity of business in late Cold War Finland, the main focus being on the presidential election campaign of 1981–1982, which was a major watershed in Finnish politics. The purpose is to investigate the divisions cutting through business circles. Different layers of disunity can be found: a turf battle between business associations and their leaders, divergent attitudes towards the Social Democrats and disagreements concerning Finland's foreign relations and trade, particularly with the Soviet Union. These divisions were long-lasting; they emerged by the mid-1970s and remained in effect until at least the late 1980s.

Keywords: business political activity, business unity, Cold War, Finnish-Soviet relations, Social Democrats, presidential election of 1982

Introduction

When studying the political activities of business, it has traditionally been assumed that unity leads to strength, that is, the more cohesive the business community is, the more political power it has. Accordingly, the degree of cohesion within the community has attracted a great deal of scholarly attention. In his examination of the political power of American business, Mark A. Smith has reversed the traditional assumption and suggested that business is at its most influential when advocating issues that do not unite business circles because 'unifying issues' also provoke a lot of public attention and resistance. Based on his study covering the second half of the 20th century, Smith therefore claims that business's strength actually lies in its disunity.[1] However, contemplating the cohesion of business circles in general terms does not seem to be the most fruitful approach. According to Val Burris, researchers have indeed recently shifted away from 'debating whether business is essentially divided or essentially unified' and focused rather on 'specifying more precisely the forces that threaten to divide the business community at any given time, and the mechanisms by and conditions under which (some degree of) business unity is achieved'.[2]

This article looks at the political activity of Finnish big business in the 1970s–1980s, focusing on the differences of opinion that business had about its objectives and lines of policy. The nature of disagreements varied from turf battles between business associations to divergent views on domestic politics and international relations. The main part of the paper concentrates on the presidential election campaign in the winter of 1981–1982, which was a major watershed in Finnish politics and highlighted the divisions amongst the business community. I believe, however, that these divisions had already developed by the mid-1970s at the latest, and remained strong until at least the late 1980s.

Throughout the 1970s, Finnish politics was dominated by the autocratic President Urho Kekkonen and the practically permanent cabinet coalitions of *Keskustapuolue* (the Centre Party) and *Suomen Sosialidemokraattinen Puolue,* SDP (the Social Democratic Party of Finland). Despite their government cooperation, the Centre Party and the Social Democrats duelled fiercely over the position of the ruling party. The culmination of this struggle was the presidential election of 1982, with two main candidates coming from these two parties.

From the late 1960s onwards, tripartite agreements between the state, labour unions and employers were a central feature of the Finnish economic-political decision-making system.[3] Corporatism naturally emphasized the role of *Suomen Työnantajain Keskusliitto*, STK (the Finnish Employers' Confederation) in society but the STK focused primarily on labour market relations. In public

discussions and political decision-making processes of a more general nature, the business community was mainly represented by *Elinkeinoelämän Valtuuskunta*, EVA (the Council of Economic Organizations in Finland), and *Teollisuuden Keskusliitto*, TKL (the Confederation of Finnish Industries). Therefore, for the purpose of this article, the voice of Finnish business is EVA and the TKL. The choice of actors is justified not only by their central role in public discussions, but also by the availability of source material: sufficient data has only been produced and preserved by these organizations.[4] My interpretation thus relies on the collections of EVA in *Kansallisarkisto*, KA (the National Archives of Finland), and the TKL in *Elinkeinoelämän Keskusarkisto*, ELKA (the Central Archives for Finnish Business Records). In addition, I utilize a variety of newspapers, interviews and secondary sources.[5]

Despite a plethora of memoirs and biographies touching upon my research topic, relatively little academic research has been conducted. Among the most valuable previous studies are the histories of the STK by Markku Mansner[6] and of the Finnish forest industry by Niklas Jensen-Eriksen.[7] EVA has been studied by Jukka Tarkka, who writes, however, not only as a historian but also as a former employee.[8] A comprehensive history of the TKL is under way but thus far only a short review of the association and its predecessors has been written by Markku Pesonen.[9] A slightly different view to that found in organizational histories is provided by corporate histories, for example, Martti Häikiö's examination of the Nokia corporation and Markku Kuisma's study on the oil company Neste.[10] An investigation of Finnish business in the 1970s–1980s cannot avoid discussing trade relations between Finland and the Soviet Union, a central theme in my study as well. Despite several articles[11] and some master's theses,[12] there is room for a lot more research on this eastern trade, as it is often called.

However, instead of adding to the literature on Finnish-Soviet trade, the purpose of this article is to contribute to the study of business–government links and the political activity of business. The most prominent Finnish researchers of corporate political activity (CPA) include Jari Eloranta, Juha-Antti Lamberg and Mika Skippari.[13] In his dissertation, Skippari has combined the study of CPA with historical analysis.[14] Following Skippari's example and as an answer to Burris's call, my research provides a historical example with which to analyse the factors uniting and dividing business circles, and the effects of unity or the lack thereof on their political clout. My work draws from the fields of political history, business history and Cold War studies.

Business takes a defensive position

As a result of World War II, Finland ended up in a no-man's-land between the Eastern and Western Blocs. Finland remained independent and was in principle one of the neutral countries. However, the neighbouring Soviet Union effectively restricted her leeway and influenced both Finnish domestic and foreign policies tangibly. For most of the Cold War era, Finland was led by President Urho Kekkonen, who acquired almost unquestioned authority over Finnish politics. His dominance was, above all, a consequence of Finland's precarious international status: Kekkonen alone seemed able to steer the country through the pitfalls of the Cold War. This gave him a lot of leverage over Finland's internal affairs which he often ruled over with an iron fist.

The most important ace up Kekkonen's sleeve was the Soviet Union. The president established close contacts with the leaders of the Kremlin and was able to keep them satisfied with and favourable towards Finland. One manifestation of Kekkonen's good eastern relations was Finnish-Soviet trade, which he actively promoted. The commerce was highly lucrative for Finland and brought prosperity to the companies involved and to the national economy as a whole. In 1975, in the wake of the first oil crisis, increased oil prices even made the Soviet Union Finland's biggest trading partner.[15] Nevertheless, the bulk of Finnish foreign trade was always with the West.[16] Therefore it was of utmost importance for the country that President Kekkonen was also able to gain approval from the Kremlin for Finland's commercial integration with Western Europe. The country became an associate member of EFTA in 1961 and concluded a free-trade agreement with the EEC in 1973.[17]

Finnish business could count on the help of President Kekkonen when it came to foreign trade. But in the field of Finnish domestic politics, business had few influential advocates. Especially in the early 1970s, the general atmosphere in Finland was very leftist-orientated. A hard-left, pro-Soviet movement loudly criticized private business and called for its nationalization, and attracted hordes of not only working- but also middle- and upper-class youth. At the same time, young Social Democrats gained ground in the bureaucracy. This development appeared all the more disturbing as the Social Democratic Party as a whole became ever more radical and adopted hard-line socialist rhetoric. Private enterprise had to face aggressive verbal attacks from left-wing politicians while the political right was too timid to protest. Even though the SDP leadership never tried to push through the most radical reforms demanded in party conference communiqués, company leaders fretted about the potential nationalization of their firms and even about an incipient revolution in the country. Private business also cringed at the Social Democrats' plans of expanding state-owned enterprise, for instance in the electronics industry.[18]

The Finnish business community desperately needed someone to defend its interests, even its very existence. In the mid-1970s, two umbrella organizations were founded with the purpose of strengthening business ranks against the assaults of the political left. The establishment of EVA in 1974, in particular, was motivated by the desire of business circles to make themselves better heard in the societal debate. EVA was founded by seven major economic interest groups representing different fields of business from banking to industry and agriculture. By creating and taking part in public discussion, EVA was supposed to create a general atmosphere that was more friendly towards business and the market economy.[19] The organization was led by Max Jakobson, a widely respected former diplomat with Western sympathies. In 1971, at the peak of his diplomatic career, Jakobson had been a candidate for the Secretary-General of the United Nations but was rejected by a Soviet veto. Jakobson had a wide contact network and was connected to virtually everyone of importance in Finnish society, which made him a natural choice for EVA's managing director. The organization's primary founding father, an influential non-socialist politician and lobbyist of industry, Päiviö Hetemäki, became first chairman, followed a couple of years later by Mika Tiivola, the CEO of the Union Bank of Finland.

The TKL, founded in 1975, was a more traditional interest group. The organization was born out of a merger of the previously separate federations of the Finnish forest industry and other Finnish industries. By the 1970s this division had become obsolete, but unification was also motivated by the desire to improve the political influence of Finnish industry.[20] The TKL's first managing director was the STK's former CEO Timo Laatunen, followed in 1979 by Stig H. Hästö, long-time CEO of the textile company Finlayson and former chairman of the STK.

It soon became evident that EVA and the TKL were unable to form a united front for Finnish business. On the contrary, the appearance of two active and powerful umbrella organizations created new problems. Even though EVA and the TKL had separate spheres of operations in principle, there was enough overlap to cause friction between the organizations. Consequently, the business community now spoke with two mouths, which often gave out differing or even contradictory messages.

Three layers of disunity

The establishment of EVA and the TKL either created or brought to the surface differences of opinion that split the Finnish business community in two. The magnitude of these disagreements should not be exaggerated: differences over practical courses of action rather than fundamental

goals were at their root. Moreover, they were not always even visible outside business circles. Nevertheless, certain cleavages clearly stand out.

First, a certain dissonance emerged between the organizations and their leaders. Interestingly, even though EVA was established by and for business, it was welcomed with surprising suspicion from the ranks of business itself. Originally, the council was a joint venture of several business interest associations but the founding members had little say in the formulation of EVA's agenda in practice. Relying on the high degree of esteem which they enjoyed, Jakobson and Hetemäki were able to dictate EVA's policies almost without check, and existing organizations therefore worried that EVA might step on their toes. Things only got worse after the TKL was established. The TKL accused EVA of creating unnecessary and overlapping functions, and complained that the member organizations were unable to influence EVA's plans of action.[21] Both EVA and the TKL were willing to act on behalf of the Finnish business community in its entirety, which naturally put them at loggerheads.

It is difficult to tell whether the quarrel also reflected personal chemistry problems. Chairman of STK and later managing director of the TKL Stig Hästö had originally been one of the architects behind the establishment of EVA. However, he was upset with what the council became in the hands of Hetemäki and Jakobson: a visible and loud partaker in public debate in contrast to Hästö's original visions of low-profile lobbying. Offended by the dismissal of his recommendations, Hästö refused to participate in EVA's meetings for some years and remained critical for even longer.[22] Apart from this rift, it seems safest to assume that the main tension was more between the organizations than their leaders personally; that it was caused by the tendency of organizations to expand and accrue power, forcing them to defend their turf against other organizations similarly aiming at expansion and influence.

Second, Finnish business circles were divided in their attitudes towards the political left and the Social Democratic Party in particular. From the mid-1960s until the early 1990s, the SDP was almost always among the government parties, and Social Democrats had also gained a strong foothold in the civil service. The SDP was a true powerhouse of Finnish politics, which the business community could not ignore but had to establish a relationship with. What business disagreed on, however, was the nature of this relationship. Many business leaders were worried about the enterprise-hostile and anti-market economy political climate of the 1970s. If not downright revolution and nationalization, at least increasing state regulation threatened the success of their

companies and the whole national economy. In their opinion, EVA was needed as the fist of business that would fight off the leftist threat and crush the power of the Social Democrats.[23]

EVA's managing director Max Jakobson, however, interpreted the situation differently and wanted to become a bridge-builder between business and the SDP. Jakobson was not indifferent towards the politicization of the bureaucracy or the increasing state interference in business. However, he did not view the SDP as an enemy but an ally. Despite their radical rhetoric, Jakobson trusted that most Social Democrats in the end supported the same basic social and political values as non-socialist Finns and did not seek to make a revolution. This made collaboration possible; because of the political clout of the Social Democrats it was also essential. Without their consent, the basic needs of private business could not be effectively secured. Only through cooperation was it possible to try to influence the SDP's policies and turn the party line in a more favourable direction. And even if the Social Democrats indeed posed some sort of a threat, Jakobson was only following the wise old saying about keeping one's enemies even closer than friends. All in all, the establishment of close contacts with the SDP had to be among EVA's main tasks.[24]

Even after the founding phase of EVA's existence, opposing views on the SDP continued to split the business community into those who were suspicious and those who wanted to put their reservations aside and seek cooperation. Sometimes, but not always, the TKL represented the former line of thinking while EVA advocated the collaborative line. This pattern reflected the difference between the TKL and EVA as organizations. The TKL was a traditional interest association concerned with economic interests and day-to-day politics and often had to quarrel over undesirable government initiatives with the SDP. EVA, on the other hand, focused on ideological macro-level issues, such as the preservation of the capitalist system, for which a completely different, more collaborative approach was necessary.

Third, the constellations of the Cold War and Finland's international position created fissures amongst business circles. On the level of fundamental values the situation was simple. Finnish business leaders naturally espoused democracy and a free market economy, and their sympathies in the ideological battle of the Cold War went to the Western camp. The need to defend private enterprise and the market economy had also been the main motivation for founding EVA. However, not all business leaders were happy with the weapons used by Max Jakobson and EVA in fighting for these values. Jakobson stated loud and clear that the market economy and political democracy were inseparably intertwined, and that in no country had it been possible to combine democracy

with a collectivist economy. Private ownership and business freedom were, according to him, no less than integral ingredients of modern western democracy.[25]

Some industry leaders felt that EVA was making too much noise about a delicate issue. Naturally they whole-heartedly supported the market economy system. But many feared that declaring such convictions aloud would be interpreted as a negative comment on the socialist system of the Soviet Union. In Cold War Finland, silence was golden when it came to criticizing the mighty eastern neighbour in any way, and Max Jakobson was walking on eggshells with his daring statements. Not surprisingly, the Soviets were reserved towards EVA, and both the council in general and Max Jakobson in particular attracted fiery verbal attacks from the East.[26]

The negative Soviet attitude did not go unnoticed among those Finnish business leaders dependent on Finnish-Soviet trade. Trade with the Soviet Union was a significant catalyst of post-war economic growth in Finland. In the 1970s and 1980s, Finland, with 3-4 per cent of total Soviet imports, was among the Soviet Union's biggest western trading partners together with the Federal Republic of Germany, the United States and Japan. This figure represented 15 to 25 per cent of total Finnish exports. Throughout the 1970s, Finland accounted for 11 per cent of the USSR's trade with the West, and commerce with the Soviet Union was far more important to Finland than to any other OECD member.[27]

The trade was bilateral in nature and organized around five-year trade agreements. The structure of the trade was beneficial to the Finns: they exported machines, ships, paper and cables and imported natural gas, crude oil and timber – that is, they received raw-materials in exchange for manufactured goods[28]. On the negative side, it can be argued that Finland became dependent on Soviet oil and other raw materials. In contrast to Finland's trade with the West, metal, shipbuilding and engineering industries made up a considerable share of Finnish exports to the Soviet Union. The eastern trade was less important for Finnish forest industry, whose main market was Western Europe.[29]

There are arguments both for and against the profitability of the eastern trade for the Finnish national economy. On the one hand, the trade created economic and political dependence on the Soviet Union and introduced rigid and possibly detrimental administrative elements in the Finnish market economy. On the other, the Finnish-Soviet trade provided employment for a considerable part of the Finnish population and had a counter-cyclical effect by creating demand for Finnish products during downturns in the West.[31] It is difficult to make generalizations about the price levels

in the eastern trade as prices varied with time and from one product category to another. In any case, the Finns profited from low marketing costs, economies of scale, and the stability and predictability of the eastern trade.[32] The trade was highly lucrative for the companies involved and has, accordingly, been described as a 'jackpot' or a 'pay-dirt'.[33] According to a – more or less truthful – anecdote, the Finns had a 20/80 rule: 'a fifth of a company's exports should go to the USSR, bringing in four fifths of all export profits'.[34] However, trade was not only about commerce but politics too. Favourable trade agreements and the high priority of Finland in the USSR's foreign trade were tokens of mutual trust and friendship, which could be snatched away by the Kremlin if the Finns gave reason for discontent.

The Finnish magnates of this eastern trade thus had a strong incentive to be concerned about any discord EVA might cause between the two countries.[35] EVA, however, represented not only Finnish industry but the business community in its entirety. The TKL with its powerful industry captains was but one of EVA's member organizations, the rest of which represented completely different branches of business, such as banking and insurance or small- and medium-sized industries. They were not as closely linked with the Finnish-Soviet commerce – if at all –, and thus lacked the trade-related motivations for appeasing the Kremlin. Accordingly, Jakobson was able to discard trade-policy considerations when forming EVA's policy, while the TKL's elbow room was much more limited.

Consequently, the Finnish business community was divided, if only on the level of practice instead of principle, in its attitude towards the Soviet Union and the ideological juxtaposition of East and West. There were those who wanted to announce their support for the market economy system and their criticism of socialism openly, while others preferred a more discrete enunciation of opinion because of economic pragmatism and eastern policy calculations.

All three layers of disunity – competition and controversy between the organizations, differing attitudes towards the SDP, and conflicting views on the Soviet Union and Finland's eastern policy – were evident in the differing approaches that business adopted towards the shift of presidential power in Finland in the early 1980s. In the next part of the article, I will examine the discordant presidential politics of business in the winter of 1981–1982 in more detail.

Finnish business and the successor struggle

President Urho Kekkonen ruled Finland from 1956 to 1981. Despite his popular image as an ageless superman,[36] Kekkonen started to show signs of ageing from the late 1970s onwards, and in the

autumn of 1981 his health collapsed. He went on medical leave on 11 September and eventually resigned from office on 26 October. The election of Kekkonen's successor was set for mid-January 1982, which left less than three months for campaigning. The lack of time gave the contest a feverish feel, as political parties rushed to nominate candidates and launch campaigns. All the major parties announced their nominees in November, and a total of eight contenders ran for presidency.

Kekkonen's resignation seemed to mark the end of an era, and in the presidential election no less than the country's future direction appeared to be at stake. According to the wildest speculations, the election could lead to a change in Finland's social system and pave the way for socialism. Even from a more moderate perspective, the election of a new president seemed potentially to redefine the foreign-policy orientation and international position of Finland, above all her relations with the Soviet Union. The most crucial questions were whether the USSR would intervene in the election and whether her influence over Finland would grow stronger or weaker in the process.

In the heated atmosphere, Finnish business also wanted to have its say about the presidential contest. The most active mouthpieces of business in the public discussion were EVA and the TKL. The organizations shared the notion that the ideal new president would be a non-socialist and a supporter of the market economy system. However, they had differing views about the suitability of particular candidates and disagreed completely on the line of action that business should adopt in the election campaign. The TKL chose to both support and oppose certain candidates in public and aimed at influencing the opinion of the electorate. EVA, for its part, took a neutral stand and underlined the importance of Finland's independence when it came to deciding how to vote.

The presidential contest actually consisted of several power struggles. First, the battle was between the SDP and the Centre Party, which had been fighting over the leading position in the political scene of Finland for years. Second, within the Centre Party, prolonged infighting between Ahti Karjalainen and Johannes Virolainen finally culminated in the nomination of the party's presidential candidate.[37] In the end, however, the electoral campaign appeared to be a battle between two giants. Despite eight candidates running for president, public attention focused on two competitors: the Social Democrat Mauno Koivisto and Ahti Karjalainen from the Centre Party, both long-time ministers and members of the Bank of Finland's Board of Directors. Karjalainen had long been considered as Kekkonen's crown prince after serving as one of his most loyal and trusted assistants in the field of eastern politics and trade. Karjalainen fell out with Kekkonen in the early 1970s and fell victim to alcoholism. Despite the breach with Kekkonen, Karjalainen remained in favour with the Soviet Union and also had the backing of strong political and economic forces in Finland.

Koivisto, on the other hand, was hugely popular and had for years been the king of opinion polls regarding potential presidential candidates. In 1981, Koivisto was prime minister and became the acting president after Kekkonen's resignation, which gave him a head start in the electoral contest.

Neither of the two main contestants satisfied EVA and Max Jakobson. The initial reaction at EVA was to suggest adopting Jan-Magnus Jansson from the liberal-oriented Swedish People's Party as 'the presidential candidate of business'. An EVA memorandum dated 23 September names domestic political stability and the preservation of consensus as fundamental national goals, and specifies the election of a non-socialist as the main aim of business circles. At the same time, the memorandum stresses that bridges with the Social Democrats should not be burnt and that business should not campaign *against* anyone but only *for* its own objectives. According to the memorandum, the candidate that would fulfil these objectives was Jansson and, therefore, business circles should lend him their support.[38] However, a united pro-Jansson line amongst Finnish business circles did not catch on and the idea was discarded.

The day after the EVA memorandum, Jakobson stated in a letter to Mika Tiivola, the chairman of EVA, that Finnish business could not 'have any unified opinion and one should certainly not be sought', and that 'we cannot one-sidedly commit to the support of a certain candidate'. Jakobson nevertheless pondered on the idea of Jansson being a suitable non-socialist compromise candidate, who might be able to give Koivisto a run for his money and could be 'supported without damaging relations with the Social Democrats'.[39] Apart from these tentative early steps towards Jansson's camp, EVA adopted a policy of neutrality towards the presidential election: EVA, as an organization, was not going to support any of the candidates.[40]

EVA chose neutrality out of necessity rather than virtue. In Jakobson's view, there simply were not any suitable and serious non-socialist candidates, perhaps with the exception of Jansson. He did not have faith in the non-socialist candidates' chances of success and could not give any of them his whole-hearted support. Besides, Jakobson had already discarded political orthodoxy in the 1970s by establishing cooperation with the Social Democrats, and saw no reason to deviate from this pragmatic line. Jakobson did not encounter any difficulty in pushing his line through in EVA's working committee. On the contrary, neutrality was supported by most of the representatives of EVA's member organizations. As Mika Tiivola put it, so many divergent interests were represented in EVA that it would have been impossible to reach any common ground and, consequently, EVA could not come down on the side of any candidate.[41]

Interestingly, developments in the TKL went in the opposite direction. According to his memoirs, managing director Stig Hästö originally had a negative attitude towards Finnish industry making any public utterances concerning the presidential candidates. In late October 1981, he noted that 'industry probably will not take any official and visible stand in the matter. Industry must be able to function even under the new leadership regardless of who will be elected. The vast majority of industry managers clearly supports a non-socialist candidate but complains that none of the contenders in sight shines as brightly in the eyes of the general public as Koivisto.' Gay Ehrnrooth, chairman of the TKL, shared Hästö's view, and a policy of neutrality was also recommended by Hästö's outside advisers. For instance, the chairman of the conservative National Coalition Party Ilkka Suominen warned Hästö on 3 November that a public statement from the TKL might have the reverse effect and rebound against the organization.[42]

Adopting a neutral attitude was, however, tantamount to rolling out the red carpet for Koivisto. He seemed to be winging his way to the Presidential Palace too easily, without anyone even trying to discuss his suitability for the task. Besides Koivisto, neutrality would also benefit another person that industry leaders disliked, namely, Johannes Virolainen. The power struggle between Ahti Karjalainen and Johannes Virolainen had gone on for years, but by November 1981 it seemed that the latter was coming out ahead and would most likely win the party's primary election. Those industry captains involved in commerce with the Soviet Union were worried about Virolainen's advance. It was well known that he was deeply distrusted in the Soviet Union, which made him almost as suspect in the eyes of the magnates of eastern trade as the Social Democrat Koivisto. They preferred, without doubt, Ahti Karjalainen, who had an excellent rapport with the Kremlin and had, over the years at Kekkonen's side, gained considerable expertise in attending to Finnish-Soviet relations.[43]

It has been claimed that Karjalainen's most ardent advocates consisted of a clique of CEOs, namely, Kari Kairamo of multi-industry corporation Nokia, Pekka Herlin of elevator and hoisting equipment manufacturer Kone and Tankmar Horn of engineering and shipbuilding company Wärtsilä.[44] All three companies were among the top ten or twenty biggest exporting companies in Finland in the late 1970s and early 1980s. A considerable share of their turnover came from exports, and trade with the Soviet Union was a central part of their business operations.[45] In the case of Nokia, for example, exports to the USSR were estimated at around 10 to 25 per cent of the company's turnover and at Wärtsilä, 20 to 30 per cent of operations relied on the eastern trade.[46]

In a meeting of the TKL on 11 November 1981, Herlin, Horn and Kairamo were able to push through an announcement advising people to vote for those persons and parties who had actively promoted Finland's foreign trade and Finnish-Soviet commerce, because they would be best able to secure the country's employment situation and international competitiveness. Even though the statement did not mention any names it was an obvious pro-Karjalainen comment. According to the jokes provoked by the announcement, the only things missing were Karjalainen's height, weight and shoe size.[47] Officially, the TKL approved the statement unanimously even though not all industry leaders supported Ahti Karjalainen or worried about the Finnish-Soviet trade relations. Captains of forest industry, in particular, questioned the wisdom of making public appearances. However, they did not stand against the magnates of eastern trade but expressed their criticism only afterwards.[48] The main purpose of the TKL's announcement was to lend support to Karjalainen in the primary election of the Centre Party. This, however, failed and the party conference named Johannes Virolainen as the official nominee. Even after this setback, the TKL carried on its public expressions of support according to the wishes of the powerful men of Finland's eastern trade. The TKL now focused on rallying opposition to Koivisto, although the industry leaders did not even have to renounce supporting Karjalainen altogether because of the peculiarities of the Finnish electoral system (see, p. 16).[49]

According to Stig Hästö of the TKL, EVA would and should have been the natural arena for commenting on the presidential election on behalf of the Finnish business community. He was thus disappointed to find that EVA had no intention of committing itself on the matter, for which he blamed Max Jakobson.[50] Jakobson, for his part, later criticized the industry captains for their calculative attempts to manipulate public opinion.[51] The TKL and EVA did not bring their quarrel out in the open during the election campaign, but neither did they try to hide their differing views. The dissent was based on the divergent assessments of the situation that the leading figures of EVA and the TKL made. Their interpretations about the effects of the presidential election on domestic and foreign policy differed notably and made them adopt divergent attitudes towards the campaign. In the next sections of the article, I will look at their assessments of the situation in more detail with a focus on the organizations' opinions on the main rival candidates Mauno Koivisto and Ahti Karjalainen.

Mauno Koivisto, the socialist threat?

During the campaign, the political views of the frontrunner Mauno Koivisto raised concern among non-socialists. Speculation was rife about the possible consequences of Koivisto's election. Doomsday prophets predicted that a Mitterrand-phenomenon[52] or a shift towards a command

economy might take place in Finland if Koivisto was elected.[53] One of the harbingers was Stig Hästö, who warned that a socialist president would create conditions for introducing socialism in Finland. Hästö also claimed that, after 25 years under Kekkonen's leadership, the Finns were not experienced enough to consider all aspects of the presidential election. Therefore, the TKL was entitled to advise the electors on the most sensible way to vote.[54]

In late December 1981, industry captains appealed directly to voters through a newspaper advertisement under the heading 'Think about this, Finn'. It stressed that the Finns were not only casting their votes for a person but also for a party. The aim was to remind non-socialist electors of the importance of party loyalty, because Koivisto seemed worryingly popular even among conservatives. The announcement was put out three times and it was signed by about two hundred business managers, chief editors, artists, scientists, and athletes, with one hundred names published each time. Koivisto's electoral coalition countered with an advertisement with the caption 'Us Finns have deliberated' and 600 signatories.[55]

Party-politics naturally motivated the TKL in the anti-Koivisto campaign. Koivisto was a Social Democrat, whereas the industry captains voted for non-socialist parties, mainly the National Coalition Party or the Swedish People's Party. Towards the close of the 1970s, the previously powerful leftist trend waned and rightist winds began to blow in Finland, just like elsewhere in Europe. As a side product of the process, European social democratic parties lost their radicalism and transformed into preserving forces. In Finland, the Social Democrats and business established consensus and cooperation in order to get the country's dwindling economy back on track.[56]

At that time, Mauno Koivisto, in his capacity as the Chairman of the Bank of Finland, was among those who called for financial realism. Koivisto understood the facts of finance and, to a certain extent, the needs of business. He worried about the health of state finances, criticized the increase in public spending and took a reserved stand towards any excessive expansion of the welfare system. Yet, during the presidential campaign of 1981–1982, the industry leaders persistently claimed that any non-socialist candidate would be better than Koivisto.[57] Paradoxically, however, after the failed pro-Karjalainen statement, the magnates failed to express their whole-hearted support for any of the non-socialists either. Their attitude towards the National Coalition Party's Harri Holkeri, for instance, was surprisingly reserved. The youngish Holkeri was not considered sufficiently credible or pro-business and attracted the direct support of only a few managers. One of the rare exceptions was EVA's Mika Tiivola, who joined the citizens' committee advocating Holkeri's election.[58]

However, Tiivola advocated Holkeri only in the capacity of a private person since EVA refrained from making public statements concerning the candidates. The association hoped for a non-socialist president but did not have major complaints about Koivisto, and it did not publicly criticize him. EVA touched upon the issue of Koivisto's socialism only once, and even then indirectly, when Tiivola demanded a comment from all the presidential candidates on their views on the market-economy system.[59]

EVA's managing director Max Jakobson did not consider Koivisto's socialism threatening, and when it came to the Mitterrand-phenomenon, he saw the comparison with France as misleading. In contrast to their French counterparts, the SDP had been a major political force for a long time and had already pushed through most of its reform programme, thereafter becoming more of a conservative than a radical force. Jakobson agreed with other commentators in thinking that Koivisto's election was likely to strengthen the position of the Social Democrats but, as he saw it, at the expense of the extreme left, not the non-socialists. Besides, the Social Democrats, even if strengthened, could not afford to renounce economic pragmatism and consensus politics if they wanted to ensure that the welfare system was maintained.[60] In this sense, the election of Mauno Koivisto was by no means contrary to EVA's objectives. The council had, after all, sought wide national consensus and collaborative relations with the SDP as its main aims ever since it was established.

EVA's neutral policy earned Jakobson accusations of favouring a socialist, and in practice neutrality truly equalled a pro-Koivisto stand. EVA's comments on certain fundamental aspects of the election campaign could also be taken as pro-Koivisto statements. Through both Jakobson and Tiivola, EVA emphasized the importance of Finnish people freely choosing the president. According to Jakobson, it was not the outcome of the election that mattered, so much as the way in which the election process was carried out. People's power had to be the guiding star in the process. And as the people obviously favoured Koivisto, EVA's stand could easily be interpreted as support for Koivisto.[61] In this case, 'the people' did not refer only to the working class as Koivisto's popularity crossed party and class lines. He must have had sympathizers even among business managers, although they were not necessarily among his most strident admirers.[62] Perhaps many of them silently supported Koivisto in order to prevent the election of someone else. At least this was exactly what Max Jakobson and EVA sought with their pro-democracy appeals. Despite EVA's early declaration about campaigning only in support of its own objectives, rather than against any of the candidates, the council clearly, albeit tacitly, opposed Ahti Karjalainen and his potential dark-horse candidacy.

Ahti Karjalainen, the potential dark horse

Besides Koivisto's political convictions, another subject of heated public discussion was the possibility of a dark-horse candidate. This was because the electoral system of Finland gave the presidential contest an extra twist. The president was not elected by a direct popular election but by an indirect procedure, in which an electoral college of 301, chosen by popular vote, convened to elect the president. The electoral college went through as many voting rounds as necessary until one of the nominees reached an absolute majority of votes. The system yielded to political horse-trading and made it possible for a dark horse to emerge in the contest in the latter rounds of the election. It was a plausible prospect that the electoral college might vote against the will of the people and comply with the political parties' trade-offs, which fuelled public suspicion about the election.

Ahti Karjalainen was not the only name referred to as a possible dark-horse candidate, but he did attract the most speculation. After losing the Centre Party's primary elections to Johannes Virolainen, Karjalainen could have stemmed these rumours by publicly dissociating himself from the electoral contest. Instead, he refused to announce his withdrawal, and uncertainty over his dark-horse candidacy continued.[63] What made the situation even more unclear was that Karjalainen was generally assumed to be the favourite of the Kremlin. The Finns therefore waited – some with hope, others with fear – for the Soviet Union to make some sort of statement or even present an ultimatum, which would make clear her preferences in the election.

The magnates of eastern trade were among those who eagerly lent an ear to the wishes of the Soviet Union, and in this case even tried to predict the Soviet reactions beforehand. In their pro-Karjalainen appearances, these industry leaders were mainly motivated by economic interests. In their eyes, Karjalainen stood as the guarantor of Finnish-Soviet trade. Nobody knew what would happen without him and his close connections with the Soviets, and few were keen to find out. The magnates of eastern trade feared that if the wrong man was elected, Finland might lose her preferential status. Therefore, the stability of the trade had to be ensured by getting Karjalainen elected as president after Kekkonen.[64] Concerning the significance of Finnish-Soviet commerce to the national economy of Finland, this reasoning was not just calculated self-seeking on the part of the magnates but may have well been born out of their genuine concern for the economic welfare of the whole nation, and not just for their companies alone.

Lacking cordial contacts with the East, Mauno Koivisto could not boast any eastern-policy assets and also lagged far behind his rival in terms of expertise in Finnish-Soviet trade. The Kremlin leaders obviously preferred Karjalainen over Koivisto, even though they avoided direct interference

in the presidential contest. What made Koivisto questionable in the eyes of the Soviets was his personal style, which differed completely from that of Kekkonen or Karjalainen. He tended to hem and haw, and his manner of expression was obscure and indecisive – traits which went down well with Finnish voters but not necessarily the Kremlin. The Soviets complained that they did not know Koivisto, which, considering the importance of personal interaction to the USSR's leaders, was actually harsh criticism or, at least, taken as such by Karjalainen's backers.[65]

EVA's Max Jakobson probably well understood the industry leaders' fears. However, Jakobson did not have to take trade-policy factors into consideration when forming EVA's approach towards the presidential election. Instead, Jakobson and EVA emphasized that the election was Finland's internal affair and had nothing to do with Finnish-Soviet relations whatsoever. Jakobson and Tiivola were anxious about potential Soviet interference in the election. They worried that in the atmosphere of general uncertainty, 'a relatively minor outside interference may have great impact on the public opinion', which was 'healthy at the bottom but timid on the surface'. It was imperative to prevent the 'confusion scenario' and ensure that power stayed 'in our [the Finns'] own hands'.[66]

Despite the Soviet suspicions against him, Max Jakobson was – along with the leading Finnish politicians and other prominent figures – in regular contact with Viktor Vladimirov, Soviet diplomat and KGB officer in Helsinki. To his relief, Jakobson was convinced in a private discussion with Vladimirov that the Kremlin would not meddle in the election. According to Jakobson, Vladimirov had told him that the Soviet Union had a good rapport with both the Centre Party and the Social Democratic Party and did not want to harm the relations with either one in any way. Jakobson estimated that Vladimirov was well aware that every candidate was committed to the continuity of Finland's foreign-policy orientation. Last but not least, Vladimirov stated that any preference Moscow might have between Karjalainen and Koivisto was dictated more by custom than by any substantial difference between the two men.[67]

In addition to his talk with Vladimirov, Jakobson was reassured by the prevailing international situation. In Jakobson's opinion, international circumstances were favourable to Finland. Despite the increasingly strained relations between the two super powers, the relationship between Western Europe and the Soviet Union was in balance. Because of the ongoing war in Afghanistan and the crisis in Poland, it was of utmost importance to the Kremlin to prevent the appearance of any additional tension in Europe. The Soviet policy aimed at 'preserving the stability of Europe and separating Western Europe from the hard line of the United States'. Accordingly, Jakobson

calculated, there was ‘no reason to presume that the Soviet Union would . . . want to interfere in Finland’s internal affairs in a way that would harm the credibility of her collaborative policies in Western Europe’. Jakobson also concluded that the USSR valued her unproblematic relations with Finland in their own right and was not willing to risk them (for instance, by intervening in the presidential election).[68]

But it was not just the credibility of the Soviet’s policy of friendship with Western Europe but also the credence of Finland’s neutrality and sovereignty in the eyes of the West that hung in the balance. The Finns easily equated foreign policy with eastern policy, and international opinion with the Soviet opinion. Jakobson took it as his mission to remind his fellow Finns about the actual state of affairs: that the eyes of the Western world, not just the Kremlin, were on Finland as she prepared for the presidential election. The close connection between Helsinki and Moscow had already earned the Finns accusations of being ‘Finlandized’, and the presidential election provided an opportunity to either bolster or play down this unflattering image. He was certain that the election of a dark horse – that is, Karjalainen – would serve to prove that the Finns were susceptible to Soviet influence, and thus challenge the country’s sovereignty.[69] Jakobson considered Karjalainen dangerously dependent on the Soviet Union. Both in Finland and the West, he had been stigmatized as the favourite of the ‘eastern electoral district’, and according to Jakobson’s understanding, even his own advocates knew that he could only win with the help of the Kremlin. Consequently, he would have been particularly vulnerable to Soviet pressure, and his election would most likely strengthen the influence of the USSR over Finland’s domestic and foreign affairs and confirm the Finlandized impression troubling the country’s image in the West.[70]

The wind of change

The juxtaposition of Mauno Koivisto and Ahti Karjalainen created the impression that the election was a struggle between political back-room scheming and straightforward, democratic decision making. In this duel, Koivisto was cast as the hero, while Karjalainen was left with the role of the villain. One of Koivisto’s major assets was his independence: he had not belonged to the power networks of President Kekkonen and was also independent from the SDP party executive. At the turn of the 1980s, the Finns had grown tired of both party politics and the absolute power of the president. They wanted a clear break with Kekkonen’s era, and Koivisto represented a revival of democracy in Finnish society. President Kekkonen’s lengthy period in office had not been quite congruent with the constitution, and his reign had curtailed Finnish democracy and eroded the integrity of the political system. After Kekkonen’s resignation, people wanted a thorough change in

the putrid political culture, and Koivisto seemed to personify this change. Karjalainen, for his part, was fated to epitomize the continuity of the old regime and excessive servility to the East.[71]

In this atmosphere, the Finns elected the electoral college on 17–18 January 1982. The results silenced all speculations about dark horses. Mauno Koivisto's electors received 43.3 per cent of the total vote, giving them 145 seats of the total of 301. The outcome of the vote of the electoral college, to be held on 26 January, was already crystal clear. At the final stage of the election, Koivisto received 167 votes, which gave him an absolute majority among the electoral college, and became the first Social Democratic President of Finland.[72]

Koivisto's overwhelming victory was generally attributed to the Finns' will to ensure that their voice could not be dismissed by the electoral college. In the presidential election, people discarded their party loyalties and voted for the candidate who had earned his spurs outside party politics. Koivisto had been voted not only by those with leftist leanings but also by many non-socialists who had grown tired of the Kekkonen era. The election results were also explained as a protest against alleged Soviet pressure and the more obvious attempts to influence the outcome by the leaders of Finnish industry.[73]

The outcome of the presidential election strengthened the credibility of Finland's sovereignty and neutrality in the West. Already in February 1982, Jakobson concluded that the election had resulted in 'the strengthening of Finland's international position'. This effect could be read from the positive comments in the Western press. There, the election of Koivisto was described as the expression of a truly popular vote, which promised a bright future for Finnish democracy. Jakobson praised the election process as an effective antidote to the 'Finlandized image' of the country, which could not be 'reversed with arguments but only with actions – with the kind of conduct that proves it wrong'.[74] It is also noteworthy that the image of Finland thus improved in the very same countries where three fourths of Finnish exports went.

When it came to the reactions of the Soviets, the Kremlin gave its approval to the new president only a couple of days after the election. Moscow radio stated that the outcome of the election guaranteed the continuity of Finland's foreign policy. The result was also commended as a victory for the Finnish left and, ironically, as a backlash against the attempts of 'capitalist parties' to smash the Social Democratic candidate.[75] Finnish-Soviet relations did not suffer from the shift of power from Kekkonen to Koivisto, as the latter carefully continued to follow the line created by his predecessor. The much feared interruption to Finland's eastern trade did not take place. Instead,

commerce reached record figures in the first half of the 1980s – although this was in spite of Koivisto rather than because of him.[76]

Although Koivisto represented continuity with regard to eastern affairs, he brought a considerable change to Finnish domestic politics. Koivisto's style of leadership was more low-key and he distributed power more widely. Unlike Kekkonen, Koivisto did not establish a system of favourites around him.[77] This probably displeased the magnates of industry who now lost their close contacts with the head of the state. The TKL and industry were, however, able to establish cooperation with the new president. And apart from some scoffing in the leftist press, industry leaders did not suffer serious repercussions from their pro-Karjalainen campaign. Instead, President Koivisto soon made conciliatory gestures towards industry, for instance granting the distinguished honorary title of mining counsellor to Kari Kairamo, one of the magnates who had most fiercely opposed him during the campaign.[78] EVA, for its part, was among the moral winners of the presidential election. EVA's policy of neutrality had proved wise and probably increased the credence of the social and political analyses that the organization gave out, thus securing its position on the map of Finnish interest groups and societal commentators.

Conclusion

The presidential election campaign in the winter of 1981–1982 distinctly illuminated several divisions cutting through the Finnish business community. First, on the most banal level, discord was caused by a turf battle between the two business interest associations, EVA and the TKL. Their disagreements were evident during the electoral contest in their divergent assessments of the situation and the measures it required, resulting in EVA's neutral line of policy in contrast to the TKL's aggressive campaigning. Second, business circles were divided in their attitude towards the SDP between those who viewed the Social Democrats as enemies and those who saw them as potential allies. During the presidential election campaign, this cleavage was reflected in the ways the representatives of business treated the Social Democrat candidate Mauno Koivisto: some with deep suspicion and others with quiet approval. Third, the constellations of the Cold War and the relationship between Finland and the Soviet Union split the business community in two. In principle, entrepreneurs naturally stood for the free market economy and western values, but in practice, the lucrative eastern trade convinced many magnates to adopt Soviet-friendly attitudes and courses of action. They considered the potential election of Koivisto as a threat to Finnish-Soviet (trade) relations and thus advocated the favourite of the Kremlin, Ahti Karjalainen. Another faction of the business community, however, cringed at the thought of Soviet interference and regarded the election, if carried out autonomously, as an opportunity to improve the standing of Finland in the

eyes of the West. These divisions were long-standing and continued to split the business community from at least the mid-1970s until the late 1980s.

From the perspective of the Finnish business community, the outcome of the presidential election of 1982 was actually very favourable despite the disagreements between its most important representatives. The sovereignty of Finland remained intact while her relations with the Soviet Union did not suffer any harm either. Despite the election of a Social Democrat as president, public sentiment became increasingly rightist, and views in favour of the market economy strengthened. In 1987, President Koivisto appointed Harri Holkeri as Prime Minister, which was a historic occasion since Holkeri's conservative National Coalition Party had spent decades in the political wilderness. The appointment of Holkeri's government fulfilled a long-held dream of many Finnish businessmen but, surprisingly, the government and the business community clashed severely on several issues.[80] On the global stage as well, victory in the ideological battle between East and West began to tilt towards the western camp and the market-economy system at the close of the 1980s.

All in all, Finnish business circles had many reasons to rejoice over the state of affairs in the late 1980s. From their point of view, things had clearly taken a turn for the better compared with the previous decade, when private enterprise had felt itself threatened and despised. It is less obvious whether and to what extent this upturn can be credited to the efforts of the business community itself, let alone with its discordant representatives EVA and the TKL.

Following in the footsteps of Val Burris, this article has traced the forces that divided or united the business community at a certain time and place. To a historian, this approach appears more fruitful than discussing the effects of the business community's coherence on its political clout in general terms. From this viewpoint, the examination of Finnish business during the Cold War is fascinating. In the complicated international and domestic circumstances of this era, business had to react and position itself regarding a number of intricately intertwined yet inconsistent political and societal impulses. Not surprisingly, businessmen and their representatives reacted to these impulses in various ways, not all of which were uniform and in line with each other. This resulted in differing and even contradictory policies being adopted by Finnish business in the 1970s and 1980s.

Judging by the consequences of the presidential election of 1982, disunity did Finnish business no harm and indeed yielded almost ideal results. However, it is difficult to give credit for the outcome to the heterogeneous political activities of business circles. Rather, it seems, favourable domestic and international trends, perhaps even fortunate coincidences, dictated developments. It appears

therefore impossible to assess the effect that the degree of unity or disunity as such had on the political clout of business circles and on the realization of their objectives.

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[1] Smith, *American Business and Political Power*, 3-8, 10, 20-31.
[2] Burris,'Interlocking Directorates and Political Cohesion among Corporate Elites', 250.
[3] On the development of the Finnish model of corporatism, see, for example, Bergholm, 'The making of the Finnish model'.
[4] It should be noted that concentrating on the big umbrella organizations may conceal the different political agendas that various branches and sub-branches of business may have had. However, lower-level organizations dealt primarily with more down-to-earth issues than EVA and the TKL and have thus produced little or no source material that would facilitate the research of their policy orientations and preferences.
[5] Secondary sources include analyses by contemporaries, for example, Blåfield and Vuoristo, *Kun valta vaihtui* and Lauantaiseura, *Tamminiemen pesänjakajat*, and memoirs and biographies, for example, Hästö, *Vuodet kertyvät, pilvet haihtuvat*, Jakobson, *Vallanvaihto* and Simon, *Koneen ruhtinas*.
[6] Mansner, *Suomalaista yhteiskuntaa rakentamassa*.
[7] Jensen-Eriksen, *Läpimurto*; Jensen-Eriksen, 'Metsäteollisuus, markkinat ja valtio 1973–1995'.
[8] Tarkka, *Uhan alta unioniin*.
[9] Pesonen, *Teollisuuden Keskusliitto ja sen edeltäjät 1921–1991*.
[10] Häikiö, *Fuusio*; Häikiö, *Sturm und Drang*; Kuisma, *Kylmä sota, kuuma öljy*.
[11] For example, Androsova,'Economic Interest in Soviet Post-War Policy on Finland'; Eloranta & Ojala, 'Converta'; Hirvensalo, 'Changes in the Competitive Advantages of Finnish Exporters in the Former USSR after the Abolition of the Clearing Payment System'; Kivikari, 'Finland'; Sutela, 'Finnish trade with the USSR'; Sutela, 'Finland's Eastern Trade'.
[12] Matala, *Idänkaupan loppu*; Sivonen, *Neuvostokaupan muisto*.
[13] Corporate political activity, CPA, refers to the attempts of firms to influence government policies and decision-making processes. The term corporate political activity is more commonly used than business political activity, but in this paper, the latter is obviously more appropriate. The study of CPA is an inter-disciplinary field that draws from disciplines such as economics, finance, political science, sociology and strategic management. For reviews on the literature on CPA, see, for example Getz, 'Research in Corporate Political Action'; Hillman, Keim, and Schuler, 'Corporate Political Activity'; Lamberg et al., 'The Evolution of Corporate Political Action'; Skippari et al., 'Conceptual and Theoretical Underpinnings in the Research of Corporate Political Activity'.
[14] Skippari, *Evolutionary Patterns in Corporate Political Activity*.
[15] *Statistical Yearbook of Finland, 1976*.
[16] On the history of Finland's foreign trade in English, see Hjerppe, *The Finnish Economy, 1860-1985*, 149-171; Kaukiainen, 'Foreign Trade and Transport'; in Finnish, see, for example, Pihkala, 'Kauppapolitiikka ja ulkomaankauppa 1945-1986' and *Suomalaiset maailmantaloudessa keskiajalta EU-Suomeen*.
[17] In more detail, see Paavonen, 'From Isolation to the Core' and 'Special Arrangements for the Soviet Trade in Finland's Integration Solutions'.
[18] Häikiö, *Fuusio*, 216-219. The relationship between the SDP and Nokia corporation, in particular, suffered greatly in the mid-1970s when the Social Democrats wanted to establish a state-owned electronics company.
[19] Jakobson, *Vallanvaihto*, 118-119, 122-123.
[20] Pesonen, *Teollisuuden Keskusliitto ja sen edeltäjät 1921–1991*, 33; Jensen-Eriksen, 'Metsäteollisuus, markkinat ja valtio 1973–1995', 59-60. Even within the new organizational structure, *Metsäteollisuuden Keskusliitto* (the Central Association of Finnish Forest Industries) remained in existence and retained a great deal of independence and influence. Because of the self-assertion of forest industry captains, the coexistence of different branches industry was not always particularly harmonius. See, Jensen-Eriksen, 'Metsäteollisuus, markkinat ja valtio 1973–1995', 60-62.
[21] KA. EVA. Proceedings. TKL memorandum 'EVA:n ja TKL:n työnjako' [Division of labour between EVA and TKL], 16.12.1975; Interview with Jukka Tarkka, 31 January 2012.
[22] Hästö, *Vuodet kertyvät, pilvet haihtuvat*, 318-319.
[23] Jakobson, *Vallanvaihto*, 116-119, 125.
[24] KA. EVA. Proceedings. Meeting of EVA, 27 November 1975. Review by Jakobson and memorandum 'Muistio Elinkeinoelämän Valtuuskunnan kokouksessa 3.4.1975 käydystä EVA:n toimintaa koskevasta ohjelmallisesta keskustelusta' [Memorandum on the discussion concerning EVA's plan of action at the meeting of EVA, 3 April 1975]; KA. EVA. Proceedings. Meeting of EVA's working committee, 29 June 1976. Review by Jakobson, 10 June 1976.
[25] KA. EVA. Memorandums, 1973–1976. Memorandum 'Minne menet markkinatalous?' [Quo vadis, capitalism?], 27.10.1976.
[26] Jakobson, *Vallanvaihto*, 14. Already before EVA was established, the Soviet Union had been suspicious and critical of Jakobson, and a Soviet veto had torpedoed his election as Secretary-General of the UN.
[27] Alho et al., *Neuvostoliiton-kauppa Suomen kansantaloudessa*, 50-51; Kivikari, 'Finland', 273, 275; Sutela, 'Finnish trade with the USSR', 4. Rather than reflecting Finnish foreign trade potential, the considerable share of Finland in the foreign trade of the USSR reveals the limitations of the Soviet economy.
[28] From the Soviet perspective, the trade pattern was far from ideal but quality and supply problems frustrated the

efforts to increase the share of finished products among Finnish imports from the USSR. Nevertheless, Finland was the biggest Western buyer of Soviet machines and equipment. See, Androsova, 'Economic Interest in Soviet Post-War Policy on Finland', 41-42; Kivikari, 'Finland', 279.
[29] Alho et al., *Neuvostoliiton-kauppa Suomen kansantaloudessa*, 22-23, 29-30; 40-41; Jensen-Eriksen, 'Metsäteollisuus, markkinat ja valtio 1973–1995', 49, 69; Kivikari, 'Finland', 276, 284.
[31] Kivikari, 'Finland', 279, 281, 284, 286; Paavonen, 'Special Arrangements for the Soviet Trade in Finland's Integration Solutions', 167-168.
[32] According to Kivikari, in 1985, export prices to the Soviet Union were nearly ten per cent higher than comparable export prices to the Western market, and 60 per cent of the exports to the East had higher prices than to the West. Kivikari, 'Finland', 280. It is, however, impossible to assess whether Kivikari's data from one single year reflects a longer-term state of affairs or not.
[33] Häikiö, *Sturm und Drang*, 37; Simon, *Koneen ruhtinas*, 302-303, 306; Sutela, 'Finnish trade with the USSR', 4, 11-12; Tarkka, *Uhan alta unioniin*, 84.
[34] Sutela, 'Finnish trade with the USSR', 16-17. See also, Seppälä, *Stefan Widomski ja puhelut Moskovaan*, 176.
[35] Tarkka, *Uhan alta unioniin*, 105.
[36] On Kekkonen's popular masculine image and ageing, see Wuokko,'Sport, Body and Power'.
[37] Kääriäinen, *Sitä niittää, mitä kylvää*, 152-153; Lukkariniemi, *Vaihtoehtona Väyrynen*, 7, 12, 16.
[38] KA. EVA. Memorandums concerning presidency. Memorandum 'Elinkeinoelämän presidenttiehdokas' [Presidential candidate of business], 23 September 1981. The memorandum was not, however, written down by Max Jakobson but Jukka Tarkka recognized the handwriting to be that of the director Juha Sipilä.
[39] KA. EVA. Correspondence. Jakobson to Tiivola, 24 September 1981.
[40] ELKA. TKL. Correspondence of the managing director. Hästö to Ehrnrooth, 4 November 1981; Blåfield and Vuoristo, *Kun valta vaihtui*, 179.
[41] KA. EVA. Proceedings. Meeting of EVA, 9 December 1981. Opening speech by Tiivola; ELKA. TKL. Correspondence of the managing director. Hästö to Ehrnrooth, 4 November 1981; Jakobson, *Vallanvaihto*, 254-255.
[42] ELKA. TKL. Correspondence of the managing director. Hästö to Ehrnrooth, 4 November 1981; Hästö, *Vuodet kertyvät, pilvet haihtuvat*, 354, 357-359.
[43] Hästö, *Vuodet kertyvät, pilvet haihtuvat*, 356, 359.
[44] See, for example, Blåfield and Vuoristo, *Kun valta vaihtui*, 167, 177-179; Jensen-Eriksen, 'Metsäteollisuus, markkinat ja valtio 1973–1995', 69; Simon, *Koneen ruhtinas*, 306; *Suomen Kuvalehti*, 28 January 2011 (interview of an influential industry leader, Casimir Ehrnrooth). CEO Helge Haavisto of steel producer Rautaruukki is often included in the list. In his interview on 3 June 2010, Tankmar Horn readily admitted having been one of the spearheads and mentioned that Pekka Herlin and Kari Kairamo (both deceased) also belonged to their group of 'Beagle Boys'. The name of Helge Haavisto did not come up, which adds to the credibility of Haavisto's claims of not having belonged to the clique in his interview, 18 January 2011.
[45] *The 2000 largest companies in Finland: Year-book of business in Finland, 1980* and *1981*; *The 3000 largest companies in Finland: Year-book of business in Finland, 1982* and *1983*; *Report on the largest companies in Finland, 1982*; Häikiö, *Sturm und Drang*, 36-37; Simon, *Koneen ruhtinas*, 307.
[46] Sutela, 'Finland's Eastern Trade', 78; Keskinen, *Idänkauppa 1944–1987*, 384. Ten per cent was the figure given by Nokia's Kari Kairamo in the late 1980s, while the maximum, 25 per cent, apparently comes from an interview conducted in the early 2000s with Kairamo's successor. Wärtsilä's figure of 20-30 per cent was provided by Tankmar Horn in an interview in 2010. See also, Seppälä, *Stefan Widomski ja puhelut Moskovaan*, 138, 176.
[47] ELKA. TKL. Concepts and duplicates. Press release, 11 November 1981; Blåfield and Vuoristo, *Kun valta vaihtui*, 178-179.
[48] Jensen-Eriksen, 'Metsäteollisuus, markkinat ja valtio 1973–1995', 70-71.
[49] Lindblom, *Manun matkassa*, 279; Mansner, *Suomalaista yhteiskuntaa rakentamassa*, 78-79.
[50] Hästö, *Vuodet kertyvät, pilvet haihtuvat*, 320, 346.
[51] Jakobson, *Vallanvaihto*, 255.
[52] François Mitterrand, President of France (1981–1995), dissolved the parliament after his rise to power and called a new election in order to achieve a socialist majority in the French national assembly. According to *Talouselämä* magazine, 6 November 1981, rumours circulated about similar consequences if Koivisto was elected. However, the Mitterrand phenomenon could also be understood as the general strengthening of the political left. KA. EVA. Papers of the managing directors. Jakobson. Manuscripts, 1981–1984. 'Suomi UKK:n jälkeen' [Finland after UKK], 4 February 1982.
[53] Jakobson, *Vallanvaihto*, 254; Koivisto, *Kaksi kautta 1*, 28, 38.
[54] ELKA. TKL. Concepts and duplicates. Managing director's pastoral letters. Hästö, 2 January 1982; *Suomenmaa*, 9 December 1981.
[55] Mansner, *Suomalaista yhteiskuntaa rakentamassa*, 78-79.
[56] Jakobson, *Vallanvaihto*, 170-173, 234–235; Jensen-Eriksen, 'Metsäteollisuus, markkinat ja valtio 1973–1995', 64.
[57] Jakobson, *Vallanvaihto*, 171, 254; Savola, *Näin saatiin presidentti*, 63.
[58] KA. EVA. Memorandums concerning presidency. Memorandum 'Näkökohtia alkanutta taistelua silmällä pitäen'

[Aspects concerning the battle that has begun], undated; *Helsingin Sanomat*, 11 December 1981; *Kauppalehti* 8 December 1981 and 10 December 1981; *Suomenmaa* 9 December 1981.
[59] KA. EVA. Proceedings. Meeting of EVA, 9 December 1981. Opening speech by Tiivola.
[60] KA. EVA. Papers of the managing directors. Jakobson. Manuscripts, 1981–1984. Jakobson, 26 January 1982.
[61] KA. EVA. Correspondence. Jakobson to Tiivola, 24 September 1981; KA. EVA. Proceedings. Meeting of EVA, 9 December 1981. Opening speech by Tiivola; Jakobson, *Vallanvaihto*, 253-254.
[62] *Kauppalehti*, 20 November 1981 and 20 January 1982.
[63] *Kauppalehti* 12 January 1982; *Talouselämä* 15 January 1982; Blåfield and Vuoristo, *Kun valta vaihtui*, 245.
[64] Hästö, *Vuodet kertyvät, pilvet haihtuvat*, 320, 348, 355; Kangas, *Ahti Karjalainen tasavallan kakkosena*, 129-130.
[65] Blåfield and Vuoristo, *Kun valta vaihtui*, 127, 132, 196-197; Hästö, *Vuodet kertyvät, pilvet haihtuvat*, 354, 362; Jakobson, *Vallanvaihto*, 257.
[66] KA. EVA. Memorandums concerning presidency. Memorandum 'Näkökohtia alkanutta taistelua silmällä pitäen', undated.
[67] KA. EVA. Correspondence. Jakobson to Tiivola, 24 September 1981; Jakobson, *Vallanvaihto*, 257-258.
[68] KA. EVA. Correspondence. Jakobson to Tiivola, 24 September 1981; KA. EVA. Papers of the managing directors. Jakobson. Manuscripts, 1981–1984. Column manuscript 11/81; KA. EVA. Proceedings. Meeting of EVA, 9 December 1981. Review by Jakobson.
[69] KA. EVA. Correspondence. Jakobson to Tiivola, 24 September 1981; KA. EVA. Proceedings. Meeting of EVA, 9 December 1981. Review by Jakobson; KA. EVA. Papers of the managing directors. Jakobson. Manuscripts, 1981–1984. 'Suomi UKK:n jälkeen', 4 February 1982.
[70] Jakobson, *Vallanvaihto*, 246, 252.
[71] Blåfield and Vuoristo, *Kun valta vaihtui*, 245; Hästö, *Vuodet kertyvät, pilvet haihtuvat*, 358; Laukkanen, *Kekkospuolueen kujanjuoksu*, 19, 173-174; Savola, *Näin saatiin presidentti*, 193; Suomi, *Pysähtyneisyyden vuodet*, 56-57.
[72] *Statistical Yearbook of Finland, 1983*; Savola, *Näin saatiin presidentti*, 137, 169.
[73] KA. EVA. Papers of the managing directors. Jakobson. Manuscripts, 1981–1984. 'Suomi UKK:n jälkeen', 4 February 1982; Jakobson, *Vallanvaihto*, 260-261; Laukkanen, *Kekkospuolueen kujanjuoksu*, 17; Savola, *Näin saatiin presidentti*, 149–151, 189; Suomi, *Pysähtyneisyyden vuodet*, 56.
[74] KA. EVA. Papers of the managing directors. Jakobson. Manuscripts, 1981–1984. 'Suomi UKK:n jälkeen', 4 February 1982; Savola, *Näin saatiin presidentti*, 159.
[75] Savola, *Näin saatiin presidentti*, 159.
[76] Jakobson, *Vallanvaihto*, 267; Mansner, *Suomalaista yhteiskuntaa rakentamassa*, 82.
[77] KA. EVA. Papers of the managing directors. Jakobson. Manuscripts, 1981–1984. 'Suomi UKK:n jälkeen', 4 February 1982 and presentation by Jakobson, International Association of Department Stores (Stockmann), 4 June 1982; Mansner, *Suomalaista yhteiskuntaa rakentamassa*, 82-83.
[78] Hästö, *Vuodet kertyvät, pilvet haihtuvat*, 370; Jensen-Eriksen, 'Metsäteollisuus, markkinat ja valtio 1973–1995', 70-71; Mansner, *Suomalaista yhteiskuntaa rakentamassa*, 80.
[80] The parliamentary election and the appointment of Holkeri's cabinet in 1987 and the presidential election in 1988 spurred Finnish business into political action once more, partly reminiscent of the winter of 1981–1982 and with somewhat similar divisions splitting the business community.