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Sustainable Governance in the Context of the COVID-19 Crisis



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# **Executive Summary**

Finland is among the richest and happiest countries in the world. In spite of cuts in public spending over the past few decades, welfare state arrangements are an important cause of citizens' satisfaction. Given this, Finland may have been in a better position than many other countries to meet the challenges of the pandemic and may have had fewer vulnerabilities than other countries. There were relatively few COVID-19-related deaths in Finland in 2020. However, the economic consequences of restrictions were considerable and unemployment rates are high.

The government has mitigated the worst consequences of the COVID-19 through measures to secure businesses, buffer workers against income losses, and compensate falling revenues for benefit administration and service provision (mainly for municipalities). There have been limited increases in benefit levels, although access has been extended for some groups (most specifically self-employed persons and entrepreneurs). The support measures substantially increased the public deficit in 2020. By late 2020, no significant austerity measures had been discussed.

In terms of policy responses, Finland was no better prepared for the COVID-19 crisis than other countries, which suffered more in terms of COVID-19 related mortality. However, Finland recorded one of the first COVID-19 infections in Europe when a Chinese tourist in Lapland was diagnosed with the virus in January (Tiirinki et al. 2020). That triggered the preparedness action plans of the responsible authorities, but the actions were insufficient in terms of securing materials, for example. Finland suffered from a lack of protective equipment until late spring.

The greatest strengths of the Finnish COVID-19 strategy include Finland's relatively well functioning healthcare system, which is based on the public provision of care, and the comprehensive safety network of the Finnish welfare state, which was strengthened by measures to extend coverage in order to cushion the economic effects of the COVID-19 crisis.

Finland enjoys high levels of public trust. People generally trust public institutions and authorities. The pandemic has demonstrated a kind of virtuous circle in terms of trust. Before the COVID-19 crisis, people generally trusted

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public institutions. During 2020, the parties in opposition did not challenge the government's response to COVID-19, which helped the government to sustain public trust and even enhance it.

The weak point of the Finnish crisis response relates to international solidarity. As a small country, Finland has not had enough resources to engage in COVID-19 solidarity in any special way. There has also been a tendency to put national self-interest before international solidarity. During 2020, the government, health policy experts and the media focused on risks associated with COVID-19, excluding alternative points of view and limiting the scope of rational debate. The government's response to COVID-19 was based on a virological and epidemiolocal view, which largely excluded more holistic notions of health and welfare. The crisis response has also entailed a centralization of power. The Finnish government also experienced problems resolving tensions between health risk management and civil rights.

Income and wealth inequality, and associated social problems were an issue in Finland even before the COVID-19 crisis. The Finnish welfare model has been challenged by austerity policies, adherence to euro zone rules, privatization of public services, and cuts in social security benefits and tax rates. As a result, income and wealth inequality has increased. Social citizenship rights have been curtailed and business interests have become crucial in political decision-making. During the COVID-19 crisis, the government focused on maintaining and increasing economic demand, and introduced passive measures to protect workers from income loses. Very few new active measures were introduced to encourage workers to find new employment, as the focus was on mitigating the hysteresis effects of the crisis.

The final assessment of the Finnish COVID-19 strategy remains open. In March 2021, the third wave of the pandemic hit Finland harder than the first wave in the spring of 2020. The government reintroduced the state of emergency. The government was heavily criticized for the slow start to its vaccination program. The total economic, social and mental effects of the pandemic can only be evaluated once the country is able to return to a pre-COVID-19 crisis stage in terms of infection rates. That may not happen before the end of 2021.

### Citation:

Tiirinki H, Tynkkynen LK, Sovala M, et al. COVID-19 pandemic in Finland – Preliminary analysis on health system response and economic consequences. Health Policy Technol. 2020;9(4):649-662. doi: 10.1016/j.hlpt.2020.08.005

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# Key Challenges

The total social, mental and economic costs of the COVID-19 crisis on Finland are still unknown. Finland was hit hard by a third wave of the pandemic in March 2021. With increasing infection rates, the government reintroduced the state of emergency together with fairly strict lockdown measures in the most affected areas. In addition, the government took the contentious decision to concentrate all communication activities in the Prime Minister's Office under the Emergency Powers Act.

The government tried to pass laws for even stricter restrictions, but was forced to back down after the Constitutional Law Committee of the parliament criticized the law proposal. The incidence made clear that the government lacked legislative tools to contain the epidemic. Furthermore, municipal elections were postponed from mid-April to June at the last minute, exposing weaknesses in pandemic preparations.

A third controversial item of public discussion concerned prioritizing vaccinations in the most affected areas. The question became politically contentious, and the government was not able to implement the decision early enough to reduce hospitalizations and mortality.

Toward the end of April 2021, the number of COVID-19 cases decreased again. The decision by health officials to postpone giving the second dose of a vaccination until three months after the first dose allowed Finland to proceed with inoculating risk populations faster than most other countries.

However, unemployment rates have increased as a consequence of the crisis response and remain high. Decision-making powers have been centralized, and the government adopted a virological and epidemiological view on health, which has been associated with social and mental health costs.

The specific challenges faced by Finland relate to income and wealth inequality, and associated social problems. Since the 1990s, income and wealth inequalities have increased, and are associated with a number of social problems, including youth unemployment, problems within families, mental health problems and slow economic growth.

The response to the perceived risks associated with COVID-19 have entailed a concentration of power at the national level. It has also entailed the strengthening of the authority of health policy experts. A major challenge in

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the future will be, therefore, to restore the pre-crisis democratic order in which the government is responsible for proposing new legislation and executing existing legislation. Another challenge is to allow a multitude of different viewpoints to be expressed in public debates concerning the economy and people's welfare. One of the key challenges in this respect is the distribution of power, which privileges business interests over any other societal interests.

Another challenge relates to public finances. Unlike other Nordic countries, Finland had a deficit even before the COVID-19 crisis. Sanna Marin's government program was based on the expectation that the labor market participation rate would increase. However, the participation rate dropped and public expenditure has increased considerably. COVID-19 has constituted an opportunity for economic policy learning and the Finnish government has seized the opportunity to review past commitments to austerity as the international consensus has shifted away from mechanical cuts in public spending. Already before COVID-19, there was a widespread debate of the political, economic and environmental sustainability of the capitalist mode of production. This debate should continue because new ideas about how to produce, maintain and redistribute welfare in our societies are needed.

In the future, it will be possible to adopt a more holistic view of health and welfare, accounting for the social and psychological aspects of health that may significantly increase the well-being of the population. Together with new ways of balancing the capitalist mode of production, holistic health policies might help societies develop and flourish more, and enable societies to escape the downward spiral in which crisis tends to follow crisis in various areas of social and political life.

The management of the epidemic showed that lockdowns and compulsory, strong restrictions of civil rights produce polarization within the population between compliers and non-compliers. In the future, governments should do their utmost to seek broad support for measures to manage health risks in order to facilitate trust and cooperation among the population.

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## Resilience of Policies

## I. Economic Preparedness

#### **Economic Preparedness**

Economic Policy Preparedness Score: 7 Sanna Marin's government published its program in December 2019, closely following her predecessor's program. Before the COVID-19 crisis hit, the goal of the Marin government was "ecologically and socially sustainable economic growth, high employment and sustainable public finances." This goal was not abandoned in 2020. However, the focus of the government shifted toward handling the COVID-19 crisis.

The government promised to take account of the carbon neutral target for Finland, and Finland's objectives and commitments regarding global and EU climate policies. The government outlined an ambitious, consistent and predictable climate policy, which would create a stable investment environment with opportunities for Finnish business and employment. The program aims to put Finland on a path toward achieving carbon neutrality by 2035. The government aim of economic policy is to increase well-being and prosperity and the government pledged to pay particular attention to the long-term effects of decisions (Prime Minister's Office 2019).

Before the COVID-19 crisis, the employment rate had grown for three years, with unemployment falling among all groups. According to the government program, the principal drivers of productivity in economies like Finland are skills and technological progress.

The Ministry of Finance's economic outlook in December 2019 predicted a GDP increase of 1.1% in 2021 and 1.2% in 2022. Economic growth over the next few years was expected to be sustained by domestic demand (Ministry of Finance 2019).

Economic policy in Finland has been based on the idea that the country has an excellent opportunity to rebuild itself in line with the principles of sustainable

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development given its sustainable social structure, its well-educated population and the high-level of technological expertise. A project commissioned by the Prime Minister's Office identified three key indicator categories that describe the core dimensions for green growth. These are:

- Low carbon and resource-efficient society: sustainable energy economy and material efficiency
- Ecosystem services: sustainable use of natural services and environmental quality
- Economic opportunities and policy instruments: economic possibilities based on a low carbon and resource-efficient society, and policy instruments that support the realization of these possibilities (Seppälä et al. 2016).

In particular, since the financial crisis of 2007 – 2008, the deterioration in private investment is one of the main weaknesses of the Finnish economy, which implies that the economy's capacity to renew itself has weakened over time, with private investments 23% lower in 2015 compared to 2008 (Ali-Yrkkö et al. 2017; Itkonen & Mäki-Fränti 2016). Government industrial policy has supported businesses with around €3 billion annually, but has not yet been able to help the economy renew its productive capacities. In terms of fiscal policy, periods of austerity and cuts in the public budget (e.g., Harjuniemi & Ampuja 2019; see also Adkins et al. 2019) have undermined the government's capacity to address economic growth and sustainability challenges. Rising inequality and social problems have made the economy more vulnerable.

#### Citation:

Adkins, Lisa & Kortesoja, Matti & Mannevuo, Mona & Ylöstalo, Hanna (2019): Experimenting with Price: Crafting the New Social Contract in Finland. Critical Sociology 45(4-5), 683-696. Ali-Yrkkö, Jyrki & Kuusi, Tero & Maliranta, Mika (2017) Miksi yritysten investoinnit ovat vähentyneet? Valtioneuvoston selvitys- ja tutkimustoiminnan julkaisusarja 11/2017. Helsinki: Valtioneuvoston kanslia. Harjuniemi, T. & Ampuja, M. (2019): Established Ideas from Established Institutions: Austerity and Structural Reforms in the Finnish Economic Policy Debate. Critical Policy Studies 13(4): 451-469. Itkonen, Juha & Mäki-Fränti, Petri (2016) Kuihtuva pääoma. Analyysi. Euro ja talous, Suomen Pan-kin ajankohtaisia artikkeleita taloudesta. https://www.eurojatalous.fi/fi/2016/artikkelit/kuihtuva-paaoma/ Prime Minister's Office 2019. "Ecologically and socially sustainable economic growth, high employment sustainable public finances." Government Programme. Accessed 18.12. https://valtioneuvosto.fi/en/marin/government-programme/finland-as-a-sustainable-economy-Seppälä, Jyri, Kurppa, Sirpa, Savolainen, Hannu, Antilainen, Riina, Lyytimäki, Jari, Koskela, Sirkka, Känkänen, Riina, Hokkanen, Joonas, Kolttola, Leo ja Hippinen, Ilkka. 2016. Key indicators for green growth and material and resource efficiency. Policy Brief. 6&2016. Accessed 18.12. 2020. https://tietokayttoon.fi/documents/1927382/2116852/Key+indicators+for+green+growth+and+material+and-material for the control of the control+resource+efficiency+in+Finland/

#### **Labor Market Preparedness**

Like most other EU member states, Finland has not been prepared to use macroeconomic policy to reduce unemployment since around 1990. This has been the case in spite of unemployment levels that have remained relatively

Labor Market Policy Preparedness Score: 5 SGI 2021 | 8 Finland Report

high over the past few decades. Instead, Finland is known for its tradition of using active labor market policies as a tool to tackle the adverse impacts on employment of economic crises. In December 2019, the Ministry of Finance's economic outlook estimated that the number of people employed will increase by 0.5% in 2020, while the working-age population continues to shrink. Slowing economic growth and rising nominal wages were expected to undermine employment growth (Ministry of Finance 2019).

The Finnish service repertoire for long-term unemployed persons is geared to individualized support and tailored to the needs of individual claimants (Kangas and Kalliomaa-Puha 2015). The responsible employment office authorities define integrated action plans jointly with the claimants. The intensity and content of the measures included in the plans vary according to individual needs. In principle, the measures may range from labor market training, self-motivated studies, work tasters, preparatory work training, on-the-job training, and integration measures for immigrants to various kinds of rehabilitative work activities. Immigrant claimants participating in activation measures or registered as jobseekers can be required to take a Swedish or Finnish language course. Young people below the age of 25 are obliged to apply for a study place in secondary education.

The service repertoire for the long-term unemployed with reduced work capacity includes medical rehabilitation to restore their physical capacity, rehabilitative work experience, vocational rehabilitation to increase their chances of returning to employment, and rehabilitative psychotherapy for those whose employment problems are related to mental health. Social rehabilitation aims to strengthen the social skills of the long-term unemployed.

The recipient's obligations can be enforced by sanctions. In Finland, the basic amount of subsistence support can be lowered by up to 20% for two months at a time in the case of non-compliance (up to 40% for repeated non-compliance). The severity of the sanction is partly left to the discretion of the case workers. Moreover, their discretionary powers are further limited by legal provisions based on the constitution. According to these provisions, the reduction in the benefit should not endanger the recipient's indispensable subsistence necessary for a life of dignity and it should not otherwise be regarded as inequitable. In the case of refusal to accept work, the offer should be specific and explicit, and the job or labor market measure should enable him or her to secure their living for a reasonably long period of time.

Over recent decades, replacement rates of unemployment benefits have deteriorated and coverage has become weaker (Kantola & Kananen 2013). The aim of policy reform has been to increase the supply of labor (i.e., the number

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of workers and job-seekers). These policy reforms have not, however, had the desired effect of increasing employment. Several studies have also indicated that active labor market policies are ineffective. Instead, policy reforms have created new hierarchies in the labor market, undermining solidarity both within organizations and on the labor market as a whole.

After the onset of the COVID-19 crisis, the parliament approved the government's proposals on temporary amendments concerning layoffs, cooperation procedures, and the right of laid-off employees and entrepreneurs to unemployment security until the end of 2020. As per the temporary amendments, the period of notice that is required to be given before laying someone off and the duration of cooperation negotiations regarding layoffs were shortened to five days. In addition, it became possible for employers to lay off a fixed-term employee and to terminate an employee's contract during the trial period on financial or production-related grounds. On the other hand, the period in which an employer is obligated to re-employ an employee dismissed for financial or production-related reasons was temporarily extended to nine months. The temporary amendments apply to the private sector. Meanwhile, entrepreneurs have since 8 April 2020 been temporarily entitled to labor market support to deal with the sudden and unforeseen decline in demand due to the coronavirus epidemic. The aim has been to ensure the livelihood of entrepreneurs (Prime Minister's Office, 2020).

#### Citation:

Kangas, Olli & Kalliomaa-Puha, Laura (2015) ESPN Thematic Report on integrated support for the long-term unemployed Finland.

Kantola, Anu & Kananen, Johannes (2013): Seize the Moment: Financial Crises and the Making of the Finnish Competition State. New Political Economy 18(6): 811-826.

Ministry of Finance. Economic forecast, winter 2019. (Taloudellinen kasvu. Katsaus talvi 2019. Valtiovarainministeriö) 2019:69. Accessed 18.12.2020.

https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161966/VM\_2019\_69.pdf

Prime Minister's Office. 2020 "Measures that have brought security and flexibility to labor markets during coronavirus epidemic will be extended." Accessed 18.12.2020. https://valtioneuvosto.fi/en//1410877/jatkoa-toimille-joilla-on-tuotu-turvaa-ja-joustoa-tyomarkkinoille-korona-aikana

## **Fiscal Preparedness**

Fiscal Policy Preparedness Score: 6 Prime Minister Sanna Marin's government program, published in December 2019, aimed to increase the employment rate to 75% and the number of people in employment by a minimum of 60,000 by the end of 2023. According to the program, "given normal global economic circumstances, Finland's general government finances will be in balance in 2023." As for fiscal policy, the government program emphasized scaling fiscal policy in accordance with economic conditions, meaning that general government revenue and expenditure can be adjusted automatically according to economic conditions (Prime Minister's Office 2019).

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In December 2019, the Ministry of Finance's economic outlook estimated that general government finances will be in deficit for the next few years in the absence of measures to improve employment and productivity in local and central government (Ministry of Finance 2019). The government aim to balance the budget was connected with the aim to substantially increase the participation rate. During its first year in office, the Rinne/Marin government increased spending.

In Finland, there is widespread awareness among politicians that the population age structure, with a very large cohort born immediately after the Second World War, will necessitate an increase in public spending in order to maintain social security and access to welfare services. However, so far, the government has taken no determined actions to cut the budget deficit and currently there are no debt limits or other fiscal rules to prevent excessive public debt. However, the budget process is transparent.

#### Citation:

Harjuniemi, T. & Ampuja, M. (2019): Established Ideas from Established Institutions: Austerity and Structural Reforms in the Finnish Economic Policy Debate. Critical Policy Studies 13(4): 451-469.

Ministry of Finance. Economic forecast, winter 2019. (Taloudellinen kasvu. Katsaus talvi 2019. Valtiovarainministeriö).

Accessed

18.12.2020. https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161966/VM\_2019\_69.pdf

Prime Minister's Office 2019. "Ecologically and socially sustainable economic growth, high employment and sustainable public finances." Government Programme. Accessed

18.12. 2020. https://valtioneuvosto.fi/en/marin/government-programme/finland-as-a-sustainable-economy-Wray, Randall (2012): Modern Money Theory: A Primer on Macroeconomics for Sovereign Monetary Systems. London: Palgrave Macmillan.

### Research and Innovation

Research and Innovation Policy Preparedness Score: 9 In general, research and innovation policy focuses on basic and applied research in research institutions, supporting startups that convert scientific output into products, and fostering productivity as well as social innovations. The Finnish higher education system is centralized. It consists of 13 universities and 22 universities of applied sciences (UAS) that operate under the Ministry of Education, Science and Culture.

As for institutions promoting and coordinating the development of (social) innovations, 12 public research institutes work under related ministries. The key agency for developing technological research is the Technical Research Centre of Finland (VTT), which operates under the Ministry of Economic Affairs and Employment. It is a cooperation partner for companies, research institutes, higher education institutions and policymakers both nationally and internationally. In terms of R&D activities other public research institutes are

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more mission-oriented, with a broad range of research objectives. Their mandate can vary from research (both basic and applied) to additional responsibilities, such as monitoring, data collection and management, and certification and inspection (Schienstock and Hämäläinen 2001).

Recognition of companies as key partners for research institutions is reflected in increased private sector cooperation in research in Finland. However, successful startup companies tend to be acquired by technology giants (GAFAM), thereby eliminating the benefits of innovations at the local and national level.

#### Citation:

Schienstock, Gerd and Hämäläinen, Timo. 2001. Transformation of the Finnish Innovation System: A Network Approach. Sitra Series 7. Accessed 7.1. 2021. https://media.sitra.fi/2017/02/28142146/raportti7.pdfet

## II. Welfare State Preparedness

#### **Education System Preparedness**

Education Policy Preparedness Score: 8 Governance of the education system in Finland is shared between central and local authorities. The Finnish government defines and sets educational priorities. Meanwhile, municipalities (local authorities) maintain and support schools and daycare centers, and have significant responsibility for organizing education, defining educational curricula, funding and hiring personnel. A national Education and Research Development Plan outlines education policy priorities every four years, and guides the government when preparing and implementing education policies. Social and political agreement on the value of education has provided stability on the structure and key features of the education system. Decisions in schools are made by either the local government or the school, depending on how decision-making is organized in the municipality. Finland's expenditure on educational institutions as a percentage of GDP (for all education levels combined) is above the OECD average, with one of the highest shares of public funding among OECD countries (OECD 2015).

The government's education policy facilitates learning for everyone and allocates resources across the different levels of education (e.g., preschool, primary, secondary and tertiary). In Finland, students complete nine years of basic education (comprehensive school), with the system focusing on equity and preventing low achievement. At upper-secondary level, students can choose between general education, and vocational education and training

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options, both of which can lead on to tertiary education. Recently, compulsory education has been extended to ages six to 18, from ages seven to 16 previously. Attainment rates in upper-secondary and tertiary education are higher than the OECD average, with one of the highest enrollment rates in upper-secondary vocational education and training (VET) among OECD countries. School dropout rates are lower in Finland than in other EU member states and is higher among people with an immigrant background. In Finland, a lack of tuition fees, combined with universal access to study grants (covering both living costs and housing) and student loans, guarantee equitable access to education. However, the children of parents with higher education attainment and above average incomes still have a higher likelihood of studying at university. Adults (16 - 65 year olds) in Finland were among the most skilled of any participating country in the Survey of Adult Skills, with younger adults (16 – 24 year olds) scoring higher than all adults in Finland and young adults in other countries. In the context of the economic crisis, unemployment remains below the OECD average.

Schools in Finland have an average level of autonomy over the use of curricula and student assessments compared to other OECD countries and a below-average level of autonomy over resource allocation. The contents of curricula are currently geared toward natural sciences and mathematics in an effort to place the education system in a position where it can serve the needs of private business. The role of ICT is emphasized in education.

Teachers are trusted professionals, and are required to have a master's degree that includes research and practice-based studies. In primary and secondary education, teacher salaries are slightly above the OECD average and teaching time is below average. A much higher proportion of teachers in Finland than on average state that the teaching profession is valued in society and that they would choose to work as teachers if given the option to start again. Finnish society and its education system place great importance on their schools and day-care facilities and trust the proficiency of their school leaders, teachers and educational staff, with no national standardized tests or high-stakes evaluations (OECD 2015).

The general educational level of the population rose in Finland for several decades, but the trend reversed in the early 2000s. Among younger cohorts, educational attainment has decreased. This is exceptional in international comparison and troubling from a Finnish perspective. Educational inequality is also rising and the quality of schools has begun to vary, especially within the largest cities.

OECD, 2015. "Education Policy Outlook Finland: Finland." Accessed 18.12.2020. http://www.oecd.org/education/highlightsfinland.htm

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### **Social Welfare Preparedness**

Social Welfare Policy Preparedness Score: 7 Finland belongs to the group of countries that have adopted the Nordic welfare state model, which is known for its low levels of poverty and high levels of well-being. The Finnish welfare state is known for its universalistic and all-encompassing approach to welfare. Finland has a long tradition of strong egalitarian approaches. Finnish residents are consistently among the happiest in the world.

According to Prime Minister Sanna Marin's government programs, people in Finland largely share the principles and values of the Nordic welfare model. The cornerstones of the Nordic model include non-discrimination and equality; healthcare, well-being and education services financed by means of tax revenue; high social mobility; and an active civil society (Prime Minister's Office 2019).

However, income and wealth inequality have increased in recent years, thereby increasing social inequality. Cuts in social security policy have been associated with the emergence of a low-paid service sector economy characterized by uncertainty and zero-hour contracts. While wage differences have remained - in international comparison - relatively small, wage dispersion and labor market polarization has increased (Paavola et al. 2019; Idman 2014), The existing system has been challenged by a populist party, which is one of the most popular parties in Finland at the moment. Social inequality affects people in many ways. It is manifested in poverty and prolonged need for social assistance. Inequality is also reflected in the differences in health outcomes and social inclusion between population groups, and in the percentage of young people who are not in education, employment or training. While the aim of the Finnish service system is to promote the health, well-being, functional capacity, work ability and social protection of the population, and to reduce inequalities in health outcomes and well-being, not all citizens can access all the services they need or the services at their disposal do not meet their needs as there are still significant inequalities in health outcomes and well-being. People not only experience deprivation during their lifetimes, but it is also passed down from generation to generation.

There is strong evidence that shows how poor health outcomes and well-being are linked with social problems, such as unemployment, low levels of educational attainment, difficult living conditions, poverty and an intergenerational cycle of disadvantage. Multidisciplinary competence and

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support are available in the Finnish service system, but despite sustained reform efforts the system is fragmented and confusing for service users.

Basic social assistance can be provided to individuals or families living or residing in Finland whose income and assets do not cover their essential daily needs, such as food and medicine. Basic social assistance is a last-resort form of financial aid, which is affected by all forms of income and assets available to applicants and their families, including any savings in a bank account. Other social security benefits are counted as income. Prior to applying for basic social assistance, claimants must find out whether they might be entitled to other social benefits, including unemployment benefits, housing benefits, benefits for parents or sickness allowance (Social Insurance Institution of Finland (KELA) 2020).

#### Citation:

Idman Mika (2014). Suomen palkkaerot ovat pysyneet pieninä – palkkojen hajonta kuitenkin kasvaa. Hyvinvointikatsaus 2/2014. Tilastokeskus. Helsinki.

Paavola, Juho-Matti, Pitkänen, Sari, Vainio, Arttu, Valtakari, Mikko, Ylikoski, Maria (2019): Matalaapalkkatyön yleistyminen ja suomalainen sosiaaliturva – Muutoksen vaikutukset kansainvälisen kokemuksen valossa [The increase of low-wage labor and the Finnish social security – Impacts in the light of international experiences]. Helsinki: Prime Minister's Office, 2019:39.

Prime Minister's Office 2019. "Ecologically and socially sustainable economic growth, high employment and sustainable public finances." Government Programme. Accessed 18.12. 2020. https://valtioneuvosto.fi/en/marin/government-programme/finland-as-a-sustainable-economy-

Social Insurance Institution of Finland, 2020. "Social assistance in the coronavirus situation." Social Insurance Institution (Kela). Accessed 18.12. 2020. https://www.kela.fi/web/en/social-assistance-in-the-coronavirus-situation

## **Healthcare System Preparedness**

Health Policy Preparedness Score: 8 The Finnish healthcare system is based on public healthcare services to which everyone residing in the country is entitled. According to the constitution of Finland, the public authorities shall guarantee for everyone adequate social, health and medical services, and health promotion. In other words, it is the constitutional duty of the public authorities to provide equal access to high-quality healthcare and disease protection (EU-Healthcare 2020).

In Finland, municipalities are responsible for organizing and financing healthcare, although a government proposal is about to transfer the responsibility to the regions. A municipality can organize services by providing them directly or in collaboration with other municipalities, or purchasing services from private companies or non-profit organizations. The municipalities can, within the limits of legislation, determine the scope and content of services, and decide on how they will be provided. For this reason, there may be municipality-specific differences in services. This means that there are also differences in testing capacity (e.g., laboratories), intensive care

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beds, ventilation devices, protective materials (e.g., disinfectants, masks) and personnel in place to deal with a pandemic (Tiirinki et al. 2020).

Healthcare services are divided into primary healthcare and specialized medical care. Primary healthcare services are provided at municipal healthcare centers. Specialized medical care is usually provided at hospitals. Municipalities form hospital districts that are responsible for providing specialized medical care in their area. In addition, joint municipal authorities belong to five catchment areas for highly specialized medical care. Mainland Finland is divided into 20 hospital districts, which run 15 regional hospitals and five university hospitals. Reducing the pressure on specialized healthcare was the main rationale for introducing restrictions, which were intended to prevent and slow the spread of the virus. Apart from metropolitan area, all hospital districts had enough intensive care beds. During periods of peak prevalence, a few patients were transported from Helsinki hospital district to other parts of the country.

Private healthcare services complement municipal services, providing more than a quarter of all social and healthcare services in Finland. Private service providers (i.e., companies), independent practitioners, organizations and foundations may sell their services to municipalities, to joint municipal authorities or directly to clients. Private operators provide both primary healthcare and specialized medical care services. In Finland, private healthcare services are subsidized by public funds, since Kela reimburses medical expenses.

The national hospital system delivers high-quality care for acute conditions, but there is a recognition that key challenges include improving primary care for the growing number of people with chronic conditions, and improving coordination between primary care and hospitals. Elderly care is the responsibility of municipalities, and home care and service housing are the main types of services offered, the latter often provided by private providers.

During the past few decades, austerity policies have undermined the capacity of the healthcare system to provide high-quality care for everyone. The role of for-profit companies in care services has increased and public procurement procedures favor multinational companies operating on a large scale. Such companies have tried to avoid paying taxes in order to cut costs and increase competitiveness (Aaltio 2013; Koivusalo et al. 2009).

The Finnish healthcare system divides people into two main categories: occupational primary healthcare is available for employed people. Those outside the labor force – such as the unemployed, temporary workers and self-

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employed people – rely on the public healthcare service, which has fewer resources and where services are less available. As a result, socioeconomic inequalities in health outcomes persist. The performance of healthcare centers and social work, services for older people and people with disabilities, child protection services, the securing of linguistic rights, and the promotion of health outcomes and well-being are hampered by the fragmented organization of services, inadequate resources, changing service needs, and associated skills shortages in basic-level healthcare and social services.

#### Citation:

Aaltio, Elina (2013): Hyvinvoinnin uusi järjestys [The New Order of Welfare]. Helsinki: Gaudeamus. EU-Healthcare, 2020. "Healthcare system in Finland." Accessed 18.12. 2020. https://www.eu-healthcare-in-finland/healthcare-system-in-finland/

Kouvusalo, Meri, Ollila, Eeva & Alanko, Anna (2009): Kansalaisesta kuluttajaksi. Markkinat ja muutos terveydenhuollossa [From Citizen to Consumer: The Market and Transformation in Healthcare]. Helsinki: Gaudeamus.

Tiirinki H, Tynkkynen LK, Sovala M, et al. 2020. COVID-19 pandemic in Finland – Preliminary analysis on health system response and economic consequences. Health Policy Technol. 2020;9(4):649-662. doi: 10.1016/j.hlpt.2020.08.005, Accessed 28.12.2020. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7451008/

## Families

Family Policy Preparedness Score: 9 According to Prime Minister Sanna Marin's government program, Finnish family policy faces new challenges. These relate to new kinds of needs and the growing complexity of family models (Prime Minister's Office 2019). The traditional nuclear family pattern with two opposite sex parents is changing. Non-traditional families already account for around one-third of all families in Finland, and the number of blended families and rainbow families is increasing. Existing benefits schemes and service models do not always meet the real needs of families (Eydal et al. 2018). For example, the program mentioned that access to services – such as couples or divorce counseling, which foster the well-being of families and support parents when they experience parenting or relationship problems – is not systematic or equal across the country. The program also highlighted the fact that poverty among families with children is most common in single-parent families and in families where children are under the age of three.

The core aims of policies aimed at families with children in Finland are twofold: to improve equality between children by ensuring that all children can enjoy a good and safe childhood, regardless of family form and/or the social situation of their families; and to enhance gender equality by enabling both parents to work and care. Family policies in Finland ensure that parents are provided with support to care for their young children, guaranteed paid parental leave, and offered subsidized childcare and family benefits.

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Additionally, there are social, healthcare and school services, which aim to ensure children get the best possible service and outcomes, and are either fully financed by the public sector or require parents to pay small user fees.

Parents are entitled to a paid leave of absence from their work after the birth of a child and the law guarantees that parents can return to the same job after the period of leave. Under the Employment Contracts Act, an employee is entitled to a period of leave during which he or she can receive a maternity, special maternity, paternity or parental allowance. Maternity leave is 105 working days, while paternity leave can last up to 54 working days. Fathers can choose to take up to 18 working days of paternity leave at the same time as the child's mother, while the rest of the paternity leave must be taken after the parental leave period. Alternatively, fathers can use their paternity leave (one to 54 working days) after maternity and parental leave. In both cases, paternity leave must be taken before the child turns two years old. Parental leave is 158 working days. Parents can take parental leave full- or part-time. Someone who is the spouse or partner of the parent of the child and who officially resides with the parent (registered relationship) is entitled to parental leave, if the child is born after the partners' relationship has been officially registered or if one partner in the union has adopted a child under the age of seven after the official registration of the union. (Finnish Institute for Health and Welfare 2020).

Finland has given children legal rights to early childhood education and care (ECEC) services. ECEC services are intended to facilitate female labor market participation, ensure the well-being of children, and – in more recent years – support the development of children's social and cognitive skills. In other words, ECEC is an investment in children's beings and becomings. ECEC services are subsidized by the public sector, with parents paying relatively modest user fees compared to other countries.

The most important family cash benefit is the child benefit, which is paid to parents without consideration of the parents' income or means and is the same for all children. Finland pays additional benefits to single parents and a supplement for additional children. In addition to child benefits, in case of partnership dissolution and single parenthood, the parent that legally resides with the child often receives a child maintenance payment from the non-resident parent. The amount and the arrangement of the payment is decided during divorce proceedings or in connection with the birth of a child out of marriage, through mutual agreement or a decision from the court or local authorities. Public authorities guarantee an advanced maintenance payment. Poverty among families with children is most common in single-parent families and in families where children are under the age of three.

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#### Citation:

Eydal, G. B., Rostgaard, T., & Hiilamo, H. T. (2018). Family policies in the Nordic countries: aiming at equality. In G. B. Eydal, & T. Rostgaard (Eds), Handbook of Family Policy (Pp. 195-208). Cheltenham, UK: Edward Elgar. https://doi.org/10.4337/9781784719340.00024

Finnish Institute for Health and Welfare. 2020. Gender Equality and Corona Crisis. Accessed, 28.12. 2020.https://thl.fi/fi/tutkimus-ja-kehittaminen/tutkimukset-ja-hankkeet/koronakriisin-vaikutukset-sukupuolten-tasa-arvoon-suomessa

Prime Minister's Office 2020. "Ecologically and socially sustainable economic growth, high employment and sustainable public finances." Government Programme. Accessed 18.12. 2020. https://valtioneuvosto.fi/en/marin/government-programme/finland-as-a-sustainable-economy

## III. Economic Crisis Response

### **Economic Response**

Economic Recovery Package Score: 8 The Finnish economy was hit hard in 2020 by the COVID-19 crisis and real GDP is not expected to return to 2019 levels anytime soon. The measures taken in response to the second wave of the pandemic in the autumn of 2020 seemed to have had a less severe effect on economic activity, except on activities related to the tourism, catering and restaurant sectors (Greve et al. 2020).

During 2020, the government's coronavirus crisis recovery package was presented in four supplementary budget proposals. The proposals focused on ensuring an economically, ecologically and socially sustainable recovery from the crisis. Presenting four supplementary budget proposals helped direct the scope and improve the accuracy of the overall package. The government's stimulus package was aimed at boosting demand, improving Finland's long-term economic growth prospects, combating climate change, promoting biodiversity, and reinforcing the entire country's capabilities, resilience, self-sufficiency, and skills and competences. The package included measures to support local governments, which are intended to secure basic services and alleviate the challenges for local government finances resulting from the COVID-19 crisis. The supplementary budget proposals also included a set of measures to support the well-being of children and young people (Ministry of Finance, 2020).

The scheme to support companies affected by the coronavirus outbreak has taken the form of direct grants, equity injections, selective tax advantages and advance payments, as well as repayable advances, state guarantees and loans. The government made major investments in small and medium-sized

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enterprises, providing extra loans and grants via the state-owned Finvera Business Finland, Regional Centers for Economic Development, the Centers for Economic Development, Transport and the Environment (the so-called ELY centers), and Finnish Industry Investment. By early May 2020, Finvera and the ELY centers had granted approximately €400 million via development projects targeting small and medium-sized enterprises in order to protect SMEs financially, and prevent SME bankruptcies and job losses. Large-scale support packages were earmarked for large state-owned companies and specific sectors (e.g., agriculture, restaurants, culture and hospitals), and for both public and private companies (Greve et al. 2020). Most notably, the stimulus package has not increased the resources available for public healthcare provision. The functioning of the hospital system has been a major concern throughout the crisis. Yet, the healthcare sector was not addressed through the recovery package.

Government recovery packages were largely well-timed. Unemployment did not increase as much as was initially predicted. There were also fewer business bankruptcies than expected – an outcome which is at least partly attributed to special subsidies aimed at businesses. However, people working in the cultural and entertainment sectors had to wait for support until late spring 2021.

According to initial predictions by the Ministry of Finance in June 2020, the Finnish economy was expected to shrink 6% in 2020. However, as a result of restrictive measures taken to mitigate the spread of the virus and to kick-start the economy, the prediction in December was only -3.3%. The greatest concern in Finland is whether the experience of the aftereffects of Great Recession will be repeated. After a quick recovery from the economic collapse of 2008, the Finnish economy stagnated. The Great Recession was followed by a decade of lost economic development. An additional challenge is Finland's rapidly aging population and the fact that public debt was already increasing before the pandemic (Ministry of Finance 2020).

The general government balance will deteriorate, and public debt will grow considerably and rapidly. This is due to the decline in tax revenues, growth in unemployment, increasing government expenditure as well as government measures to soften the economic impacts of the lockdown.

#### Citation:

Greve, B, Blomquist, P, Hvinden, B, van Gerven, M. Nordic welfare states – still standing or changed by the COVID-19 crisis? Soc Policy Adm. 2020; 1–17. https://doi.org/10.1111/spol.12675

Ministry of Finance. Economic forecast, winter 2019. (Taloudellinen kasvu. Katsaus talvi 2019. Valtiovarainministeriö) 2019:69. Policy Brief. Accessed 18.12. 2020. https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161966/VM\_2019\_69.pdf

Prime Minister's Announcement, 2020. Prime Minister's announcement on the multiannual financial framework and the recovery package. Accessed 12.1.2021 https://valtioneuvosto.fi/en/-/10616/primeminister-s-announcement-on-the-multiannual-financial-framework-and-the-recovery-package

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Prime Minister's Office 2020. "Ecologically and socially sustainable economic growth, high employment and sustainable public finances." Government Programme. Accessed 18.12. 2020. https://valtioneuvosto.fi/en/marin/government-programme/finland-as-a-sustainable-economy

#### Sustainability of Economic Response

Recovery
Package
Sustainability
Score: 7

During 2020, the government presented four supplementary budget proposals as part of the government's coronavirus crisis recovery package, which focus on ensuring an economically, ecologically and socially sustainable recovery from the crisis. The government's stimulus package is, among other goals, aimed at combating climate change and promoting biodiversity, (Bank of Finland 2020).

The funding targets of the government recovery package include major energy-subsidy pilot projects, public transport, development of nature tourism and wood construction. The national climate fund operated by the Finnish State Development Company, Vake, received €300 million in additional capital.

As part of the package to support companies during the COVID-19 epidemic, in March 2020, the government announced:

- An extension to corporate income tax return filings
- Taxpayers can request certain payment arrangements for filing taxes
- A suspension of penalties for the late filing of VAT returns

The government budget for 2021 included a measure that reduces the electricity tax paid by industry to the minimum EU level, which will reduce tax revenue annually by approximately €245 million. This will automatically reduce energy tax refunds paid to energy-intensive businesses, as such refunds will no longer be possible. The remaining tax relief on the use of fossil energy will be gradually reduced, which will provide a reasonable adjustment period for operators. Overall, this will support the electrification of industry and a reduction in emissions. The lower electricity tax will affect a larger number of companies than the present electricity tax refund system.

Businesses will be encouraged to make intangible investments through the introduction of a fixed-term additional tax deduction for R&D-related research cooperation in the period 2021 – 2024. Businesses would be granted an additional tax deduction of 50% for expenditure on research and innovation projects carried out in cooperation with higher education institutions and research institutes (Prime Minister's Office 2020).

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The expert opinion is that the measures have the potential to support the Finnish economy in line with solutions aimed at resolving the sustainability crisis (Pantsar and Tynkkynen 2020).

Critics, including environmental activists, have, however, pointed out that government action is too little and too slow. Activists argue that the root cause of economic unsustainability lies in the dominant mode of economic production, which is oriented toward exploitation of natural and human resources. The energy company Fortum, which is majority owned by the Finnish government, has recently acquired Uniper, a company which in turn owns a coal-driven power plant, Datteln 4. On the other hand, the government's environmental policies are challenged by right-wing populists who argue that Finland cannot take responsibility for the global climate.

#### Citation:

Bank of Finland, 2020 Fiscal policy. Accessed 18.12. 2020. https://www.bofbulletin.fi/en/keyword/fiscal-policy/

Pantsar, Mari & Tynkkynen, Oras (2020). Sustainable recovery measures for the coronashock. Finnish Innovation Fund SITRA. Accessed 11.1.2021 https://www.sitra.fi/en/publications/sustainable-recovery-measures-for-the-coronashock/

Prime Minister's Office, 2020. Budget issues. Accessed, 18.12. 2020. https://valtioneuvosto.fi/en/-/10623/confidence-and-sustainable-growth-throughout-finland

### **Labor Market Response**

Labor Market
Policy Response
Score: 5

The unemployment rate for December was 7.8%, which is 1.8 percentage points higher than a year earlier. The number of people in employment was 74,000 less than a year earlier (National Office of Statistics 2021). This unemployment rate conceals the numbers of people temporarily laid off. Therefore, it is better to look at the number of job-seekers, which increased by 99,700 from the previous year (Ministry of Labor and Economic Affairs 2021). The number of people participating in Active Labor Market Policy programs was 107,700 (Ministry of Labor and Economic Affairs 2021). If these people are included in the unemployment rate, the rate would have been 14.7% at the end of December 2020.

The government did not significantly increase the level of social security benefits as a response to increasing unemployment.

Finland has a well-developed system of social protection to cushion periods in which large numbers of people get laid off. Therefore, no extra short-term work scheme was necessary. Finland introduced the following temporary legislative amendments related to layoffs, with the main aim of providing temporary forms of income replacement:

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• Employers must notify employees of a layoff no more than five days before the start of the lay-off.

- The duration of the employer/employee negotiations on layoffs has been shortened: the duration of the negotiations is a minimum of five days.
- Until 31 December 2020, fixed-term employees could be laid off in the same way as an employee with an indefinite employment contract (Employment Office Finland 2020).

Furthermore, the sickness insurance system is extensive and sickness benefits can be claimed while someone is in quarantine. Besides flat rate unemployment compensation for entrepreneurs and self-employed workers, Finland did not have any targeted labor market measures for the most vulnerable groups (e.g., low-skilled and low-paid workers, single parents, older workers or the long-term unemployed) during the COVID-19 crisis. Previously, entrepreneurs were required to wind down their business before being entitled to unemployment benefit. This condition was removed in the spring of 2020.

#### Citation:

Employment Office Finland, 2020. TE-Services for the Entrepreneurs and Employers. Accessed 7.1. 2021.  $https://www.te-palvelut.fi/te/en/special\_pages/entrepreneurs\_employers\_corona/index.html$ Greve, B, Blomquist, P, Hvinden, B, van Gerven, M. Nordic welfare states - still standing or changed by the COVID-19 crisis? Soc Policy Adm. 2020; 1–17. https://doi.org/10.1111/spol.12675 Ministry of Labor and Economic Affairs (2021): Työttömiä työnhakijoita joulukuussa 357 400 [The Number of Job Seekers in December was 357  $https://www.temtyollisyyskatsaus.fi/TextBase/Tkat/Prs/Tkat\_fi.htm$ National Office of Statistics (2021): Työllisyys heikkeni selvästi joulukuussa [Employment levels deteriorated clearly in December]. https://www.stat.fi/til/tyti/2020/12/tyti\_2020\_12\_2021-01-28\_tie\_001\_fi.html

## Fiscal Response

Fiscal Policy Response Score: 8 The government introduced a series of financial support measures to fill gaps in local government budgets due to reduced tax receipts and increased demand for healthcare services. The government directed ❸ billion to support municipalities, which by far exceeded the municipalities extra costs caused by the epidemic. Indeed, after several continuous years of deficit following 2000, municipalities showed an estimated total surplus of €1.5 billion for 2020. The government also decided to financially support unemployment funds in order to expedite the processing of benefit applications and prevent the need for extra loans to cover the increased costs of unemployment benefits (especially payment for laid-off persons) (Greve et al. 2020). Under normal circumstances, employers and employees are responsible for the total unemployment benefits costs for laid-off persons. During the COVID-19 crisis, the government decided to assume total responsibility for these costs.

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The coalition agreement included the aim to establish budgetary balance by 2023. The focus on balancing the budget has begun to relax because of the pandemic and the gradual loosening of the commitment to austerity has opened up new welfare policy opportunities.

However, the aim of balancing the public budget by 2023 has not been explicitly abandoned and there are voices in the political debate that are advocating for a return to austerity once the pandemic is over.

Moreover, the government has focused on mitigating the hysteresis effects of the lockdown and restrictions on the economy. Focus has been on the demand side of the economy and on counter-cyclical fiscal policy. Framework budgeting, an important tool in the past for maintaining balanced budgets, has been abandoned and the government is projected to exceed the budget framework by €500 million in 2023.

#### Citation:

Greve, B, Blomquist, P, Hvinden, B, van Gerven, M. Nordic welfare states – still standing or changed by the COVID-19 crisis? Soc Policy Adm. 2020; 1–17. https://doi.org/10.1111/spol.12675

 $Financial\ Times\ (2021a):\ IMF\ says\ austerity\ is\ not\ inevitable\ to\ ease\ pandemic\ impact\ on\ public\ finances, https://www.ft.com/content/722ef9c0-36f6-4119-a00b-06d33fced78f$ 

Financial Times (2021b): OECD warns governments to rethink constraints on public spending, https://www.ft.com/content/7c721361-37a4-4a44-9117-6043afee0f6b

Ministry of Finance, 2020. Press Release 16.4. 2020. Accessed 28.12. 2020. https://vm.fi/en/-/finnisheconomy-hit-hard-by-coronavirus

### Research and Innovation Response

Research and Innovation Policy Response Score: 7 Finland invested in a tracing app as well as in research into vaccines. However, no vaccine production facilities were established. The Ministry of Economic Affairs and Employment, together with the Finnish business community, research institutes and other authorities, clarified the preconditions for the production of domestic protective materials. The Fast Expert Teams initiative, started on 16 March, combines experts from universities, private and public sector organizations, and government ministries. The study found dozens of domestic manufacturers who were interested and able to manufacture either respirators or protective clothing (OECD 2020).

Businesses were encouraged to make intangible investments through the introduction of a fixed-term additional tax deduction for R&D-related research cooperation in the period 2021 - 2024. Businesses were granted an additional tax deduction of 50% for expenditure on research and innovation projects

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carried out in cooperation with higher education institutions and research institutes (Prime Minister's Office 2020).

The Academy of Finland (2020) made €3 million in funding available for COVID-19 research in May 2020. The Strategic Research Council issued a call for a strategic research program: Pandemics as a Challenge for Society.

#### Citation:

Academy of Finland, 2020. Funding Opportunities. https://www.aka.fi/en/research-funding/apply-for-funding/calls-for-applications/strategic-research/strategic-research-programme-pandemics-as-a-challenge-for-society-pandemics/. Accessed, 28.12. 2020.

OECD, 2020. OEDC Survey on the STI Policy Response to Covid-19. Accessed 28.12. 2020. https://stiplab.github.io/Covid19/Finland.html

Prime Minister's Office, 2020. Sustainable Growth in Finland. Accessed 28.12. 2020. https://valtioneuvosto.fi/en/-/10623/confidence-and-sustainable-growth-throughout-finland

## IV. Welfare State Response

### **Education System Response**

Education Response Score: 9 All schools and universities in Finland were closed from the second week of March until mid-May. Kindergartens stayed mostly open. In Finland, free meals are provided at schools. While the schools were closed, the municipalities implemented various alternative solutions: meal bags, takeaway meals (Ministry of Education and Culture 2020).

The authorities emphasize that every child has a right to education, even when schools and educational establishments have been closed to prevent the coronavirus from spreading. The Finnish National Agency for Education supported teachers and students with distance teaching and learning. In vocational education and training, learning – other than the demonstration of competences – was conducted with the help of digital tools. Special attention was paid to students who cannot study independently or use digital tools. Given the high level of digital competence in Finland, education policy interventions were able to ensure high-quality and equitable education throughout the COVID-19 pandemic (Finnish National Agency for Education 2020)

The Finnish Education Evaluation Center, FINEEC (2020), evaluated the impacts of the emergency conditions on equal and equitable preconditions for learning across different parts of the education system. The early results published in June found that the main challenges and impacts were related to

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variations in parental support received by children, access to the IT equipment needed for distance learning and learning self-directiveness.

According to the evaluation, one of the strengths of the Finnish education system is its flexibility, as highlighted by the emergency conditions. FINEEC found that almost the entire education system adopted digital solutions very rapidly. During distance learning, a variety of operating methods were developed for teaching and guidance. These methods can also be taken advantage of in the future. These methods include, for example, virtual forms of guidance.

In the context of a gradual reopening of a school or preschool, no priority access to preschool care or schooling was granted to socioeconomically disadvantaged pupils, since all children have a subjective right to early childhood education and care. Students at institutions of higher education were granted extended entitlement periods for financial aid.

Occasional school closures were implemented regionally during the fall term. The effect of these measures has not yet been analyzed.

According to a survey of students at the University of Helsinki, 60% of students had experienced a burn out or were at risk of burning out (Helsinki University 2021). This is a significant increase compared to previous semesters and the increase is most likely due to the restrictions placed on teaching.

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FEEC 2020. Teaching and equity challenges. Finnish Education Evaluation Centre (Karvi). Accessed, 28.12. 2020. https://karvi.fi/en/2020/06/18/impacts-of-the-exceptional-teaching-arrangements-on-equity-challenges-include-distance-learning-skills-and-support-and-guidance-for-learning/
Finnish National Agency for Education, 2020. Education in Finland and the Corona Virus. Accessed, 28.12. 2020. https://www.oph.fi/en/education-and-qualifications/education-finland-and-coronavirus

Helsinki University (2021): University Students' Well Being Continues to Decline. https://www.helsinki.fi/fi/uutiset/opetus-ja-opiskelu-yliopistossa/yliopisto-opiskelijoiden-hyvinvointi-iatkaa-laskua

Ministry of Education and Culture, 2020. Information on the Corona Virus. Accessed 28.12. 2020. https://valtioneuvosto.fi/en/information-on-coronavirus/ministry-of-education-and-culture Ministry of Education and Culture, 2020. Recommendations for the Schools. Accessed, 28. 12. 2020. https://valtioneuvosto.fi/en/-/1410845/updated-recommendations-for-early-childhood-education-and-care-schools-educational-institutions-and-higher-education-institutions-to-prevent-the-spread-of-the-coronavirus

### Social Welfare Response

Social Welfare Policy Response Score: 7 The massive lockdown during the months of March and April reduced the number of new infections and dampened economic activity in Finland. Unemployment and layoffs rapidly increased. The number of applications made to the Social Insurance Institution (Kela) for basic unemployment benefits doubled and applications for housing allowances increased by more

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than a third. The increase subsided during the summer when inflection numbers declined to negligent levels. However, applications for sickness allowance and for the Infectious Disease Allowance did not increase significantly. The latter benefit, which existed before the pandemic, compensates people required to quarantine for lost earnings due to a requirement to quarantine (Kangas 2020).

In the spring of 2020, the government made a distinction between essential and non-essential workers (Government, Finland 2020). Essential workers included, among others, healthcare and social care personnel, cleaning workers, and workers in the transport sector. These workers were required to continue going to their workplaces, meaning that (all else being equal) the probability that an essential worker would be exposed to COVID-19 would be greater than a non-essential worker working from home. This distinction between essential and non-essential workers, and their different obligations, arguably, increased inequalities with regard to risk exposure. Essential workers were also predominantly women and people with an ethnic minority background (see also Adkins & Konings 2020; Adkins et al. 2020; Christopher 2020).

However, the government has made some efforts to mitigate the impact of the measures taken to contain the spread of COVID-19. A number of temporary changes were made to the unemployment benefits available to employees and self-employed persons, which raised benefit levels and loosened some eligibility criteria.

For those temporarily laid off, it became possible to receive unemployment benefits even while studying. This is temporary change will be effective until 31 December 2020 (Social Insurance Institution of Finland 2020a). Sanctioning policies for unemployment and social assistance benefits were partly removed (Social Insurance Institution of Finland 2020a).

A temporary compensation due to the epidemic outbreak for basic social assistance clients was introduced for four months (September to December 2020). The purpose of the temporary compensation was to support the most vulnerable persons and families who incurred extra costs as a result of the restrictions imposed to tackle the coronavirus epidemic. The temporary compensation (€75 per person per month, for a maximum of four months) was granted to persons who have received basic social assistance for part of the time or for the whole time that the coronavirus restrictions were in force (1 March − 31 July 2020). In addition, recipients were required to have received basic social assistance in the month preceding payment of the compensation (Social Insurance Institution of Finland, 2020b).

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According to Professor Olli Kangas (2020), the COVID-19 crisis acted as a "stress test" for the Finnish welfare state. The preliminary result of the stress test was that the Finnish social security system performed well in buffering the negative economic effects of the pandemic. The fact that Finland may have introduced fewer measures to mitigate the economic fallout of the pandemic may relate to the comprehensive nature of the Finnish welfare state. Only a few emergency measures have been introduced on top of existing benefit and service schemes. Existing programs already provided protection for the chronically ill, single parents, migrants, and people in insecure employment, for example. However, economic hardships (over-indebtedness and the need for food aid) have increased during the pandemic.

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Adkins, Lisa & Cooper Melinda & Konings, Martin (2020): The Asset Economy. Cambridge: Polity Press. Adkins, L. & Konings, M. (2020): Covid Life and the Asset Economy, Goldsmiths Press, https://www.gold.ac.uk/goldsmiths-press/features/covid-life-and-the-asset-economy/

Christopher, Brett (2020): Rentier Capitalism: Who Owns the Economy, and Who Pays for It? London: Verso.

Government, Finland (2020): A List of Workers Essential for the Functioning of Society, https://vnk.fi//yhteiskunnan-toiminnan-kannalta-kriittisten-alojen-henkilosto

Kangas Olli (2020). Finland: Policy measures in response to the COVID-19 pandemic. ESPN Flash Report 2020/59. Accessed

11.1.2021.https://ec.europa.eu/social/main.jsp?advSearchKey=ESPNFlash&mode=advancedSubmit&catId=22&policyArea=0&policyAreaSub=0&country=0&year=0

Social Insurance Institution of Finland 2020a. Unemplyment Benefits. Social Insurance Institution of Finland (Kela). Accessed, 28.12. 2020. https://www.kela.fi/web/en/unemployment-benefit-corona

Social Insurance Institution of Finland 2020b. Temporary Compensation to Epidemic Outbreak. Social Insurance Institution of Finland (Kela). Accessed, 28.12. 2020. https://www.kela.fi/web/en/temporary-compensation-due-to-an-epidemic-outbreak

### **Healthcare System Response**

Health Policy Response Score: 8 Finland quickly adopted a strategy emphasizing the risk of SARS-CoV-2 spreading, with a particular focus on healthcare capacity after the country had been hit early by the virus. The first infection in Finland was observed in a Chinese tourist in January. However, the first domestic infection was not detected until the end of February. The overarching fear was that the capacity of hospital care would not be sufficient if a large number of people were simultaneously seriously affected by COVID-19. However, the Finnish government chose not to increase the financial resources for hospital care. In international comparison, Finland has not been hit hard by COVID-19, but the virus did not disappear during 2020 in spite of the restrictions. The healthcare system has managed to care for the patients with severe COVID-19 infection.

During the first spike in infection numbers, all hospital districts prioritized COVID-19 care and preparedness, which resulted in long waiting times for non-urgent care. A few larger municipalities, such as the cities of Helsinki and Tampere, assigned special clinics to patients with respiratory symptoms to

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make the use of services safer. The five university hospital districts were legally obliged to plan and coordinate care in their catchment areas, while all hospital districts and municipalities were responsible for preparing for and managing an epidemic in their respective geographical areas. In hindsight, many of the precautions taken in the spring (e.g., scaling back non-urgent care) turned out to be too extensive, especially outside Uusimaa hospital district, which was the district most affected by the first wave of the pandemic (the Helsinki University Hospital catchment area recorded over 80% of deaths and 70% of ICU-treated patients). Before the second wave hit in November, hospital districts were better able to meet demand for ICU capacity and evaluate the need to scale back non-urgent care. Furthermore, better supplies of protective equipment were available for the second wave. The situation was remedied through domestic production of protective equipment.

In international comparison, the Finnish healthcare system looks highly uniform. However, regional responsibility for public healthcare functions is decentralized. While decentralized actions were in general effective, the steering of the system proved difficult in terms of purchasing PPE, testing and providing non-acute services for vulnerable groups, for example. The large number of patients on waiting lists may present substantial problems to the resilience of the Finnish healthcare system in the future (Tiirinki et al. 2020).

According to a report by Finnish Institute for Health and Welfare, the ability to prepare for and respond to the epidemic differed between municipalities and joint municipal authorities. Large joint municipal authorities were better positioned to manage personnel and allocate resources. For example, for large joint municipal authorities, it was possible to shift personnel between primary healthcare and specialized medical care (Finnish Institute for Health and Welfare 2020).

Healthcare services continued working more or less normally during the lockdown. In public dental healthcare, only acute services were provided, which resulted in long waiting lists for non-acute services. Most long-term care (LTC) services continued running normally. However, visits to LTC units were prohibited, which reduced the quality of life of residents and their family members. Since 6 May, the LTC units themselves can decide whether to allow visits, but many have continued to prohibit visitors nonetheless.

#### Citation

Finnish Institute for health and Welfare, 2020. Far-reaching impacts of the COVID-19 epidemic on people's well-being and social and healthcare services. THL. Accessed 11.1.2021 https://thl.fi/en/web/thlfi-en/-/far-reaching-impacts-of-the-covid-19-epidemic-on-people-s-well-being-and-social-and-health-care-services Tiirinki H, Tynkkynen LK, Sovala M, et al. COVID-19 pandemic in Finland – Preliminary analysis on health system response and economic consequences. Health Policy Technol. 2020;9(4):649-662. doi: 10.1016/j.hlpt.2020.08.005

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#### Family Policy Response

Family Support Policies Score: 8 During the COVID-19 crisis, the government implemented no measures to achieve and maintain a fair distribution of the responsibilities of work, housework and parenting between genders. This may be linked to the fact that Finland already had a comprehensive family policy system prior to the crisis. The cash-for-care (CFC) policy incentivizes a more traditional division of labor between parents than in other Nordic countries, but in a wider European comparison Finland still belongs to a dual earner/dual carer model. The issue of whether the COVID-19 crisis has led to a resurgence in traditional roles has not been discussed or studied in Finland. However, in December 2020, the Finnish Institute for Health and Welfare started a research project to study the effects of the COVID-19 crisis on gender equality (Finnish Institution for Health and Welfare, 2020).

Unlike other Nordic countries, Finland offers a relatively low flat-rate CFC benefit, which is paid to parents after paid parental leave. The benefit does not fully compensate for wage losses, hence CFC is fundamentally different to the paid parental leave payments. The scheme has become an important part of Finnish care policy and in the 2000s more than 50% of eligible children were cared for by parents (almost exclusively mothers) who received CFC. Parents receive a flat-rate benefit linked to each child, but municipalities can add to the benefits if they like. The high take-up rates of the CFC scheme in Finland explains the lower take-up rates for ECEC compared to other Nordic countries.

While paid parental leave and ECEC services have contributed to the dual earner/dual carer model, CFC policies are regarded as going against the Nordic dual earner/dual carer model and ideals of gender equality, since they are mainly used by mothers (Eydal et. al. 2018).

#### Citation:

Eydal, G. B., Rostgaard, T., & Hiilamo, H. T. (2018). Family policies in the Nordic countries: aiming at equality. In G. B. Eydal, & T. Rostgaard (Eds), Handbook of Family Policy (Pp. 195-208). Cheltenham, UK: Edward Elgar. https://doi.org/10.4337/9781784719340.00024

Finnish Institute for Health and Welfare. 2020. Gender Equality and Corona Crisis. Accessed, 28.12. 2020.https://thl.fi/fi/tutkimus-ja-kehittaminen/tutkimukset-ja-hankkeet/koronakriisin-vaikutukset-sukupuolten-tasa-arvoon-suomessa

### International Solidarity

International Cooperation Score: 5

Traditionally, Finland has emphasized self-reliance and preparedness in its crisis response. Finland welcomed the European Union's measures for reinstated border controls and coordinated travel restrictions at the European

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Union's external borders. Finland also appreciated the monitoring and risk assessments of the European Centre for Disease Prevention and Control (ECDC), and supported EU efforts to shore up vital medical equipment through joint procurement (Helwig and Jokela 2020).

As part of government budget proposals for 2021, the government recognized the fact that as a result of the coronavirus pandemic, extreme poverty and hunger have started to increase, thereby risking many of the goals that had been achieved in recent years. The government confirmed that the effects of the pandemic will be taken into account in the planning of all forms of cooperation regarding measures for 2021 as well as multiannual commitments, and that ongoing cooperation measures, if necessary, will be redirected to support the resilience of society and its recovery from the pandemic (Prime Minister's Office 2020).

The Ministry of Social Affairs and Health, and the Finnish Institute of Health and Welfare collaborated extensively with the ECDC and WHO. Finland contributed a total of ⑤ million to the research and development of a COVID-19 vaccine: ⑥ million to CEPI (the Coalition for Epidemic Preparedness and Innovation) and ⑥ million to IVI (the International Vaccine Institute). Finland pledged ⑥ million to the Coronavirus Global Response on 4 May 2020. However, Finland has not admitted any sick persons from other countries.

Finland's solidarity response has been fairly weak in comparison to domestic investments to fight the pandemic. There have been no domestic initiatives to promote international solidarity (OECD 2020).

#### Citation:

Helwig, Niklas and Jokela, Juha, 2020:"Self-reliant Finland sees EU and international cooperation as necessary to tackle Covid-19." 28.12. 2020. https://www.fiia.fi/julkaisu/self-reliant-finland-sees-eu-and-international-cooperation-as-necessary-to-tackle-covid-19

OECD, 2020. OECD Surveys on the STI Policy Response to the Covid-19 Crisis. Accessed, 28.12. 2020. https://stiplab.github.io/Covid19/Finland.html

Prime Minister's Office, 2020. Strengheting Finland's International Effectiveness. Accessed, 28.12. 2020. https://valtioneuvosto.fi/en/-/next-year-s-budget-to-strengthen-finland-s-international-effectiveness-and-support-the-post-crisis-measures-of-the-coronavirus-pandemic

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# Resilience of Democracy

#### Media Freedom

Media Freedom Score: 9 The World Press Freedom Index 2020 ranked Finland second worldwide for freedoms and rights exercised by the media, just behind Norway, and ahead of Sweden, Denmark and the Netherlands (Reporters without Borders 2020).

As with many other European countries, Finland has experienced polarization between political elites and nationalistic populist elements. This development became ever more pronounced after the establishment of a coalition government dominated by center-left parties, each led by a woman, in 2019.

Legislation in Finland does not prohibit the (deliberate) provision of misinformation. However, the Council for Mass Media (CMM) acts as a self-regulating organization for the purpose of interpreting good professional practices, and defending speech and publication freedoms. CMM was established by publishers and journalists in the field of mass communication. The council does not exercise legal jurisdiction or public authority, but its decisions are, however, closely followed and observed (Council of Mass Media 2020).

The rules and practices of supervision in Finland guarantee sufficient independence for publicly owned media. Privately owned media is subject to licensing and regulatory regimes that ensure independence from government. In Finland, the media has not been subject to the influence of government or actors associated with the government during the crisis. Finnish politicians do not orchestrate media reactions. However, during the COVID-19 pandemic, media and politics became more closely entwined, and there was less critical distance between the media and the government than there had been before the outbreak of COVID-19.

Although news coverage of the coronavirus crisis was credible and news media proactively debunked coronavirus-related misinformation that circulated on social media platforms, the media uncritically reported the way the government communicated its response. During 2020, both the media and the government chose to strengthen the authority of medical experts.

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Alternative perspectives were effectively ruled out and dismissed as "conspiracy theories." The media has – apparently on its own initiative – published daily statistics about the spread of COVID-19 (Heikkilä 2020).

#### Citation:

Council of Mass Media, 2020. What is the CMM? Accessed, 28.12. 2020. https://www.jsn.fi/en/Heikkilä, Heikki, 2020. Finland: Coronavirus and the media. Blog. Accessed, 28.12. 2020. https://en.ejo.ch/ethics-quality/finland-coronavirus-and-the-media

Reporters without Borders, 2020. Ranking. Accessed, 28.12. 2020. https://rsf.org/en/ranking

#### Civil Rights and Political Liberties

Civil Rights and Political Liberties Score: 8 In the early stage of the COVID-19 pandemic on 16 March 2020, the government declared a national state of emergency, which gave the government the authority to restrict people's fundamental rights. On 15 June 2020, the government assessed that the COVID-19 epidemic could be managed using the regular powers available to authorities (Ministry for Social Affairs and Health 2020).

Within the first month of the COVID-19 emergency, Martin Scheinin, a professor of law, identified six distinct problems in the application of emergency powers. These were the lack of parliamentary scrutiny over declaring a state of emergency, cabinet confusion over the complicated structure of the Emergency Powers Act and failure to synchronize it with the revised Article 23 of the constitution, the lack of expertise, the failure of parliamentary scrutiny to utilize all available expertise, the risk that international human rights obligations would be neglected, and exceptions and derogations (Scheinin 2020).

Later in spring, the government controversially declared that people over 70 years old should remain indoors and it was reported that those breaking the order could face sanctions. However, it was later found that the government had no mandate to issue such an order. During the fall of 2020, the government focused on delegating measures to contain the spread of the virus to regions and municipalities, thereby avoiding the need to declare another state of emergency.

Notwithstanding, popular trust in institutions has remained fairly strong. A think-tank, the Finnish Business and Policy Forum (EVA), conducted a survey in June, which investigated how the COVID-19 crisis had impacted on the trust Finns feel toward 30 different institutions or actors influential in society. A majority of Finns stated that they trust the government (60%) and the parliament (52%). Trust in the government had increased 33 percentage points compared to a survey made in 2018. Trust in the parliament had increased 17

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percentage points. These were the biggest shifts in trust in the survey's history and were possibly generated by a general sense of fear (Finnish Business and Policy Forum 2020).

#### Citation:

Finnish Business and Policy Forum, 2020. Coronan and Politicial Views. Finnish Business and Policy Forum (EVA). Accessed, 28.12. 2020. https://www.eva.fi/en/blog/2020/06/11/covid-19-crisis-had-an-exceptional-impact-on-finnish-political-views/

Ministry of Social Affairs and Health, 2020. Corona Virus Informations. Accessed, 28.12. 2020. https://valtioneuvosto.fi/en/information-on-coronavirus/ministry-of-social-affairs-and-health Scheinin, Martin, 2020: The COVID-19 Emergency in Finland: Best Practice and Problems, VerfBlog, 2020/4/16. Accessed 18.12. 2020. https://verfassungsblog.de/the-covid-19-emergency-in-finland-best-practice-and-problems/, DOI: 10.17176/20200416-092101-0.

#### **Judicial Review**

Judicial Review Score: 7

During the state of emergency, the primary modes of contacting the judicial authorities were telephone, email and electronic services. Agencies in the Ministry of Justice's administrative branch kept informing the public about current issues in their areas of responsibility and the level of preparedness in their respective sectors. Courts postponed hearings and canceled some already scheduled hearings. These changes in the operating environment lengthened the duration of consideration (Ministry of Justice, 2020).

As outlined in Martin Scheinin's article, the problem with declaring the state of emergency in Finland was that there was no parliamentary scrutiny. The cabinet, jointly with the president of the republic, declared that Finland was in a double emergency: a health emergency and an economic emergency. The emergency declaration itself was not reviewed by parliament, but when the cabinet issued a decree to use specific powers under the Emergency Powers Act (EPA), this decree was subject to parliamentary scrutiny (Scheinin 2020).

Finland does not have a constitutional court, but does have a parliamentary constitutional committee, which consists of politicians and in which the government has a majority. As outlined in Finnish legislation, the Constitutional Law Committee (CLC) of the parliament has reviewed the constitutional compatibility of special legislation and government decrees. The CLC highlighted shortcomings in the government's compliance with the EPA. The role of the chancellor of justice is to scrutinize the legality of law reforms proposed by the government before they are debated in parliament. During the COVID-19 crisis, the issue of the independence of the chancellor of justice was raised. However, among law scholars there is a "consensus that the principles of democratic decision-making have been respected in the handling of the pandemic, as parliamentary oversight functions well, and the parliament still wields the highest legislative power in Finland" (Kimmel and Ballardini, 2020). Most of the measures to contain the spread of the virus in Finland took

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the form of recommendations (e.g., regulations concerning the right to assembly, contact restrictions) (Tiirinki et al. 2020).

#### Citation

Finnish Business and Policy Forum, 2020. Coronan and Politicial Views. Finnish Business and Policy Forum (EVA). Accessed, 28.12. 2020. https://www.eva.fi/en/blog/2020/06/11/covid-19-crisis-had-an-exceptional-impact- on-finnish-political-views/

Ministry of Social Affairs and Health, 2020. Corona Virus Informations. Accessed, 28.12. 2020.

https://valtioneuvosto.fi/en/information-on-coronavirus/ministry-of-social-affairs-and-health

Kimmel, Kaisa-Maria and Ballardini, Rosa Maria, 2020. Restrictions in the Name of Health During COVID-19 in Finland. Harvard Law Blog. Accessed 11.1. 2021. https://blog.petrieflom.law.harvard.edu/2020/05/14/finland-global-responses-covid19/

Scheinin, Martin, 2020: The COVID-19 Emergency in Finland: Best Practice and Problems, VerfBlog, 2020/4/16. Accessed 18.12. 2020. https://verfassungsblog.de/the-covid-19-emergency-in-finland-best-practice-and-problems/, DOI: 10.17176/20200416-092101-0.

Tiirinki H, Tynkkynen LK, Sovala M, et al. COVID-19 pandemic in Finland – Preliminary analysis on health system response and economic consequences. Health Policy Technol. 2020;9(4):649-662. doi: 10.1016/j.hlpt.2020.08.005

#### Informal Democratic Rules

Informal
Democratic Rules
Score: 9

As with many other European countries, Finland has experienced polarization between political elites and nationalistic populist elements. This development became even more pronounced after the establishment of a coalition government dominated by center-left parties, each led by a woman, in 2019. Despite this development, news coverage of the coronavirus crisis has been credible and trustworthy. No news organization has published any reports whose accuracy could be questioned. On the contrary, news media has proactively debunked coronavirus-related misinformation that has circulated on social media platforms (Heikkilä 2020).

The ruling cabinet in Finland consists of a coalition of five major parties, which together command a clear majority in the parliament. There are basically only three parties in the opposition. Party polarization did not undermine the ability to enable cross-party cooperation in crisis management during first wave of the pandemic in Finland. The ruling cabinet was able to build consensus and cross-party cooperation.

In April 2020, the prime minister made an announcement where she thanked the opposition for collaboration: "It has been very valuable for Finland that all of our parliamentary parties have been able to cooperate extensively to enable the rapid introduction of restrictive measures. I would particularly like to thank the opposition parties for their constructive cooperation in dealing with this national crisis. The government has sought to keep the parliamentary groups informed and has discussed the situation and measures regularly with all groups. We want to continue to do so"(Prime Minister Marin's Announcement 2020).

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The political climate became more polarized during autumn 2020. However, there were no major conflicts between the ruling parties and the opposition even then.

A think-tank, the Finnish Business and Policy Forum (EVA), conducted a survey in June, which investigated how the COVID-19 crisis had impacted on the trust Finns feel toward 30 different institutions or actors influential in society. The majority of Finns stated that they trust the government (60%) and the parliament (52%). Trust in the government had increased 33 percentage points compared to a survey made in 2018. Trust in the parliament had increased 17 percentage points. These were the biggest shifts in trust in the history of the survey (Finnish Business and Policy Forum 2020).

Competition between parties was more visible during the fall of 2020. For example, recommendations to wear face masks were fiercely debated. The debate on Finland's COVID-19 strategy has been very active in social media, where more or less experienced specialists have questioned the scope and volume of government efforts to curtail the pandemic. The critics have put pressure on the government to do more to contain the pandemic. However, there is no sign of extensive party polarization, which would impede the ability to build compromises. There are signs of party polarization in government and the legislature, but this does not pose an obstacle to enabling cross-party cooperation in policymaking and implementation.

Finland has faced crises before. Most notably, the pandemic has evoked the memories from the time of the Winter War. Finland has shown an ability to build consensus and cross-party cooperation in times of crisis. Public opinion polling has shown a high rate of acceptance for the government's COVID-19 strategy. The strategy has worked very well, for example, in comparison with neighboring Sweden. This shows that cross-party consensus on measures has strengthened public confidence in the measures, which have been crucial to their success and public compliance. It also demonstrates that in Finland cross-party consensus has prevented the measures from being subject to strong politicization during their implementation.

#### Citation:

Finnish Business and Policy Forum, 2020. Coronan and Politicial Views. Finnish Business and Policy Forum (EVA). Accessed, 28.12. 2020. https://www.eva.fi/en/blog/2020/06/11/covid-19-crisis-had-an-exceptional-impact- on-finnish-political-views/

Heikkilä, Heikki, 2020. Finland: Coronavirus and the media. Blog. Accessed, 28.12. 2020. https://en.ejo.ch/ethics-quality/finland-coronavirus-and-the-media

Prime Minister's Announcement, 2020. Corona Crisis Management. Accessed, 28.12. 2020. https://valtioneuvosto.fi/en/-/10616/paaministerin-ilmoitus-koronakriisin-hoidosta

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## Resilience of Governance

# I. Executive Preparedness

### Crisis Management System

Crisis Management System Score: 7 Finland did have a pre-existing crisis management system in place, but its ability to detect and monitor an incipient crisis through an effective early-warning system, appropriate risk assessment mechanisms and relevant expertise was limited. In an address to the parliament in April, Prime Minister Marin stated: "At the beginning of the year, we had no idea that the crisis would be so profound and serious. Although Finland has a high level of preparedness for different situations when compared to many other countries, we were also surprised by the epidemic and its social and economic effects" (Prime Minister's Announcement 2020).

However, the allocation of competences among the respective agencies as well as their independence, openness and authority has worked well in Finland. A pandemic plan was in place, but drills were not held regularly. The national stock of personal protective equipment (for medical personnel and citizens) was inadequate. The National Emergency Supply Agency tried to fix the situation quickly, but ended up procuring poor quality equipment from dubious businesspeople, which led to a reshuffling of the agency's management team.

After preparatory consideration, the government plenary session announced on 16 March that the COVID-19 epidemic in Finland constituted a state of emergency. The state of emergency was in force in Finland for three months. On 15 June 2020, the government assessed that the COVID-19 epidemic could be managed using the regular powers available to authorities. The Ministry of

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Social Affairs and Health has been responsible for the general planning, guidance and monitoring of the prevention of infectious diseases. The ministry began preparing for the coronavirus disease as soon as it started spreading. Finland's preparedness measures have been based on a national preparedness plan for an influenza pandemic (Ministry of Social Affairs and Health, 2020).

On Monday 30 March, the government reorganized the management of the coronavirus crisis at the central government level. The COVID-19 Coordination Group was expanded to cover the permanent secretaries of all ministries. The emergency management organization within the Prime Minister's Office was also strengthened. The task of the government's COVID-19 Coordination Group was to implement the decisions made by the government to curb the coronavirus epidemic and to coordinate cooperation between the ministries.

On 8 April 2020, the Prime Minister's Office appointed a working group tasked with planning Finland's way out of the COVID-19 crisis and deciding on measures to deal with its aftermath. The Prime Minister's Office also appointed a 13-member multidisciplinary scientific panel to support the work of the group. The Ministry of Economic Affairs and Employment, and the Ministry of Finance appointed a working group of four economists to prepare an expert assessment of the impact of the coronavirus crisis and recommend measures that could be used to limit the damage to the Finnish economy. The Ministry of Social Affairs and Health, and the Ministry of Economic Affairs and Employment appointed a high-profile group to propose measures to strengthen well-being and equality in the aftermath of the coronavirus epidemic. The aim was to produce proposals on how to prevent persistent problems, social exclusion and an increase in inequality during the exit and reconstruction phase following the lifting of the restrictive measures used to tackle the coronavirus epidemic (OECD 2020).

There is a sense in which the crisis management system was not well prepared. In retrospect, it seems there was a tendency to overreact to the situation, especially with regard to strict restrictions in regions with very few infections. There was no established system to perform a holistic cost-benefit analysis of the effects of the restrictions.

#### Citation

Ministry of Social Affairs and Health, 2020.Preparedness for the COVID-19 disease. Accessed 11.1.2021 https://stm.fi/en/coronavirus-preparedness

OECD, 2020. OEDC Survey on the STI Policy Response to Covid-19. Accessed 28.12. 2020. https://stiplab.github.io/Covid19/Finland.html

Prime Minister's Announcement 2020. Corona Crisis Management. Accessed, 28.12. 2020. https://valtioneuvosto.fi/en/-/10616/paaministerin-ilmoitus-koronakriisin-hoidosta

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# II. Executive Response

# **Effective Policy Formulation**

Effective Policy Formulation Score: 8 Given the fact that Finland recorded its first COVID-19 case in January, the government was able to swiftly formulate a response to the COVID-19 pandemic. COVID-19 was listed as a generally hazardous communicable disease by Government Decree in February. The authorities were then given increased powers in accordance with the Communicable Diseases Act. Under the Emergency Powers Act, municipalities and hospital districts could deviate from the time limits for non-urgent healthcare, with the exception of assessments of the need for care.

In the first set of national restrictions, gatherings of over 10 people, and visits to hospitals and nursing homes were prohibited, educational institutions and public spaces (e.g., museums and libraries) were closed, and individuals returning from abroad were ordered to self-quarantine for 14 days upon arrival in Finland. Schools received recommendations to conduct teaching remotely until 14 May 2020.

The government relied mostly on experts from the Ministry of Social and Health Affairs, and the Finnish Institute for Health and Welfare, which operates under the ministry. The economic and social impacts of the crisis were assessed by a collection of expert panels. However, social, economic and psychological factors were of lesser relevance in decision-making, which was based largely on an epidemiological view of the virus and risks of community transmission. Experts with a holistic view on health and welfare were not utilized in decision-making.

In April 2020, the Prime Minister's Office appointed a 13-member multidisciplinary scientific panel. The Ministry of Economic Affairs and Employment, and the Ministry of Finance appointed a working group of four economists to prepare an expert assessment of the impact of the coronavirus crisis and recommend measures that could be used to limit the damage to the Finnish economy. The Ministry of Social Affairs and Health, and the Ministry of Economic Affairs and Employment appointed a high-profile group to examine ways to strengthen well-being and equality in the aftermath of the coronavirus epidemic, and produce proposals to prevent persistent problems, social exclusion and increasing inequality following the lifting of the restrictive measures. However, these aspects have not been central in the

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formulation of the government's response to the challenges associated with COVID-19 (Stiplab, 2020).

Early in May, the government decided to adopt a hybrid strategy, involving a controlled shift from large-scale restrictive measures to more targeted measures and to enhanced epidemic management in accordance with the Communicable Diseases Act, the Emergency Powers Act and other relevant statutes. The hybrid strategy focused extensively on a "test, trace, isolate and treat" approach, alongside the controlled dismantling of restrictive measures. However, new restrictions were implemented when the second wave hit Finland in the autumn (Prime Minister's Office, 2020).

#### Citation:

OECD, 2020. OEDC Survey on the STI Policy Response to Covid-19. Accessed 28.12. 2020. https://stiplab.github.io/Covid19/Finland.html

Prime Minister's Office, 2020. Government Update to Corona Vurus Policy. Accessed, 28.12. 2020. https://valtioneuvosto.fi/en/-/10616/hallitus-paivitti-suomen-koronavirusstrategiaa-rajoitustoimia-mahdollista-purkaa-asteittain-ja-hallitusti

# Policy Feedback and Adaptation

Policy Feedback and Adaptation Score: 8 The Finnish government has regularly assessed if measures related to containing COVID-19 require adaptation in order to mitigate the social and economic impacts of the crisis. Most of the restrictions on domestic travel, bars and restaurants, and public gatherings were lifted during the summer when the epidemic almost died out. In the autumn, with infection rates increasing, the government responded in real time to the changing circumstances of the pandemic and reintroduced restrictions. The government has constantly gathered information and knowledge on the impact and appropriateness of implemented measures as well as the institutional capacity to manage such measures. Policies have been reviewed on a weekly basis. Policy feedback and adaptation has been proactive, but has been narrowly focused on epidemiology and the spread of the virus without much regard to social, economic or psychological aspects, or a holistic understanding of health and welfare.

The management of the spread of COVID-19 has corresponded to war time management, which is reflected in the terminology used in relation to the new administrative units used to centralize powers. The government's COVID-19 Coordination Group, which coordinates cooperation between the ministries, has met at least twice a week. In addition, the Situation Center has been established, which operates permanently in the Prime Minister's Office. It is primarily focused on monitoring the coronavirus situation and its effects. The Situation Center is in charge of maintaining the situational picture, and communicating it to the president of the republic, the government and other

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authorities. Under the Prime Minister's Office, there is also the Operations Center, which maintains an overall picture of the progress made in implementing the government's decisions (Ministry of Social Affairs 2020).

The Finnish Institute for Health and Welfare continuously consults with the government and with the Ministry of Social Affairs and Health. Both organizations supply the government with up-to-date high-quality policy feedback. It has, however, proved hard to establish the causal impact of restrictions on the evolution of the epidemic. The government has simply assumed that restrictions are effective and strengthened restrictions every time infection rates show an increase.

#### Citation:

Ministry of Social Affairs and Health, 2020.Preparedness for the COVID-19 disease. Accessed 11.1.2021 https://stm.fi/en/coronavirus-preparedness

#### **Public Consultation**

Public Consultation Score: 6 According to Greve et al. (2020) the role of trade unions and work councils as social partners has been more limited in Finland than in other Nordic countries. They were consulted during the preparation of the government support packages, but not as much as, for example, in Denmark. One reason for this could be that many unemployment-related issues (e.g., short-term work and wage supplement systems) were already covered by national regulation.

Apart from health authorities and appointed expert groups, the government has not consulted with societal actors, such as children's rights activists or cultural workers, in preparing its COVID-19 strategy response.

#### Citation:

Greve, B, Blomquist, P, Hvinden, B, van Gerven, M. Nordic welfare states – still standing or changed by the COVID-19 crisis? Soc Policy Adm. 2020; 1–17. https://doi.org/10.1111/spol.12675

#### **Crisis Communication**

Crisis
Communication
Score: 8

The government has arranged press briefings, which have been broadcasted live on television and webcastings. Furthermore, the Finnish Institute for Health and Welfare together with the Ministry of Social Affairs and Health have arranged regular media briefings. The same goes for regional health authorities. Also, leading municipal politicians have arranged press briefings to communicate their assessment of the situation and the rationale behind measures taken.

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In addition to traditional channels of communication, Finland has classified social media influencers as critical actors. Influencers are expected to disseminate information on social media during a crisis. The Prime Minister's Office has been aware that government communications do not reach everyone. A social media influencer consultancy has been commissioned to edit the government's messages into a social media-friendly format and send the edited messages to their network of some 1,500 influencers. Influencers have been free to use the messages and images as they want. Social media influencers have been part of Finland's emergency contingency plans since 2018.

The municipalities have paid attention to disseminating information in minority languages. In May, the City of Helsinki was informed of the high rate of infections among people with a Somali background. Consequently, more attention was paid to disseminating information in Somali.

Finnish people have high levels of trust in the media. Nevertheless, the country is not immune to the fragmenting news landscape. Among certain parts of the population, people trust social media influencers more than the mainstream media (Heikkilä 2020).

In Finland, the government has repeatedly explained its policy measures and why specific measures have been chosen. This included communication regarding which crisis assessment was performed for a selected policy measure and the respective timeline.

The Finnish Institute for Health and Welfare has also provided information for the general public. Information has been communicated via press conferences, social media posts, web-based information and press releases. In early December, the Ministry of Social Affairs and Health sent text messages through all mobile phone operators in Finland to the general public to inform people of the worsening COVID-19 situation in the country.

Like in other areas of crisis management, the communication of the measures taken has been, in a sense, a victim of its own success. The repeated press conferences, and the communication of detailed and complex information related to COVID-19 has increased psychological distress among the population. The government has never been satisfied with the way people behave. Consequently, it has intensified its communications and strengthened the shepherding tone it has adopted in communicating its measures.

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## Implementation of Response Measures

Implementation of Response Measures Score: 8

Finland has suffered less than most other countries in terms of loss of production. Compared to other European countries, the widespread transmission of the virus started late in Finland, which allowed the government to implement restrictive regulations and recommend how people should behave early.

Consequently, the measures to soften the social and economic impacts of the COVID-19 crisis have been relatively successful. The prime minister acknowledged that the lack of control and unclear responsibilities at Helsinki Airport during the early phase of the pandemic was a mistake. According to the prime minister, the unclear situation "went on for too long" and it "should have been resolved more quickly." (Prime Minister's Announcement 2020). The prime minister also stated: "When mistakes are made, we must study them and learn from them. The situation at Helsinki Airport was rectified. The targeting of business subsidies is being investigated and solutions are being sought by the Ministry of Economic Affairs and Employment. We still face challenges in obtaining protective equipment and healthcare supplies, both in Finland and in many other countries, but we are looking into solutions to deal with this issue" (Prime Minister's Announcement 2020).

The government and regional authorities have had the necessary budgets and the available trained staff to implement measures. Furthermore, the implementing authorities have had the organizational competencies and policy instruments to implement measures. For example, relatively speaking, more people in Finland have downloaded the national coronavirus tracing app, Koronavilkku, than anywhere else in the world (2.5 million people had downloaded the app by early November 2020).

Koronavilkku is an app produced by the Finnish Institute for Health and Welfare, which aims to prevent the spread of coronavirus. In addition to the Finnish Institute for Health and Welfare, the Ministry of Social Affairs and Health, the Social Insurance Institution of Finland (Kela), and DigiFinland (SoteDigi) also participated in the development work. Using the app is voluntary, and special attention was paid to respecting fundamental rights, data protection and information security in developing the app. An act has been passed with provisions on the purpose of the application, the powers related to the application and the processing of personal data. Koronavilkku was published on App Store and Google Play on 31 August 2020 (Finnish Institution for Health and Welfare 2020).

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Generally, there have been enough staff to monitor infection rates and trace contacts as well as prevent the misuse of emergency economic aid. However, when the infection rate peaked, Helsinki Hospital District experienced delays due to staff shortages.

#### Citation:

Finnish Institute for Health and Welfare, 2020. Corona App usage. Accessed, 28.12. 2020. https://thl.fi/en/web/thlfi-en/-/koronavilkku-has-been-downloaded-more-than-2.5-million-times-widespread-use-increases-the-app-s-effectiveness

Prime Minister's Announcement, 2020. Corona Crisis Management. Accessed, 28.12. 2020. https://valtioneuvosto.fi/en/-/10616/paaministerin-ilmoitus-koronakriisin-hoidosta

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#### **National Coordination**

National Coordination Score: 8 The measures to contain the COVID-19 crisis were implemented on the national level during the state of emergency in the spring of 2020. During that period, crisis operations and administrative powers were centralized, while regional authorities had a marginal role. On the central government level, the operating arm of the government was the COVID-19 Coordination Group, which was set up in February and extended in March.

The task of the government's COVID-19 Coordination Group was to implement government decisions intended to curb the coronavirus epidemic and coordinate cooperation between government ministries. The group has met at least twice a week. In addition, there was the Situation Center, which operated permanently in the Prime Minister's Office. The center was primarily focused on monitoring the coronavirus situation and its effects. The Situation Center was in charge of maintaining the situational picture, and communicating it to the president of the republic, the government and other authorities. Under the Prime Minister's Office, there was also the Operations Center, which maintained an overall picture of the progress made in implementing the government's decisions (Prime Minister's Office 2020).

Once the restrictions were lifted during the summer, regional authorities assumed responsibility for imposing restrictions and other measures when necessary. The division of responsibilities was incorporated into the formulation, coordination and monitoring of policies across government.

The Ministry of Social Affairs and Health is responsible for the general planning, guidance and monitoring of the prevention of infectious diseases. It began preparing for the coronavirus disease as soon as the virus started

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spreading. Finland's preparedness measures are based on a national preparedness plan for an influenza pandemic.

The national preparedness plan for an influenza pandemic is available in Finnish online (Publications of the Ministry of Social Affairs and Health 2012, p. 9). The Ministry of Social Affairs and Health appointed a group to coordinate preparedness for public health emergencies in February. An operational group working under the coordination group maintains situational awareness in the field and coordinates preparedness measures.

The Ministry of Social Affairs and Health cooperated with various authorities. Important partners in material preparedness include the Finnish Medicines Agency Fimea (pharmaceutical services) and the National Emergency Supply Agency (security of supply).

The Ministry of Social Affairs and Health published guidance for the regional authorities (Ministry for Social Affairs and Health 2020). During the autumn of 2020, subnational governments were able to develop varying, locally adapted policies. The policies were in line with the national regulatory framework. Infection rates in Finland – as elsewhere – were concentrated in the most populous areas. Some regions remained for a very long time untouched by the virus.

#### Citation:

Ministry of Social Affairs and Health, 2020. Guidelines for Corona. Accessed, 28.12. 2020.https://stm.fi/en/guidelines-for-the-prevention-of-coronavirus

Prime Minister's Office 2020. PMO's Corona Management was Strengthen. Accessed, 28.12. 2020. https://valtioneuvosto.fi/en/-/10616/valtioneuvoston-koronajohtamista-vahvistettiin

#### International Coordination

International Coordination Score: 6

Given the global characteristic of the pandemic, the Finnish government made remarkably little effort to promote international coordination. On the contrary, the focus has been strongly on national efforts to contain the spread of the virus, with a focus on virological and epidemiological concerns.

Experts from the Ministry of Social Affairs and Health attend meetings of the World Health Organization (WHO), the Council of the European Union, the European Commission and the European Centre for Disease Prevention and Control (ECDC).

In addition, the Ministry of Social Affairs and Health, and the Finnish institute of Health and Welfare have liaised with the ECDC and WHO. This collaboration has ensured that the impact of national policies on these global

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challenges have been assessed, and then incorporated into the formulation, coordination and monitoring of policies across government. The Finnish Institute of Health and Welfare has established connections with similar agencies in other Nordic countries. These contacts have been used to exchange information and experiences on a weekly basis. Decisions regarding the closing of the borders between nation states have been taken, however, at the national level, which has created tensions between the Nordic countries. National responses have demonstrated little solidarity for the situation beyond national borders.

The Finnish R&I sector has, however, worked with its European and global counterparts to find ways to respond to the COVID-19 epidemic by using and leveraging existing collaborations, partnerships and projects (OECD 2020).

Institutions, such as the Nordic Council, could have provided a platform for coordination within the Nordic region. The Finnish government has, however, lacked the willingness to engage effectively in regional cooperation.

Finland has appropriate interministerial coordination groups with leadership from the center of government, but their activities have almost exclusively focused on domestic questions. This indicates that the impact of national policies on global challenges has not been systematically assessed, and incorporated into the formulation, coordination and monitoring of policies across government.

#### Citation:

OECD, 2020. OEDC Survey on the STI Policy Response to Covid-19. Accessed 28.12. 2020. https://stiplab.github.io/Covid19/Finland.html

#### Learning and Adaptation

Learning and Adaptation Score: 5

At the end of 2020, Finland was still very much in crisis mode. The pandemic was far from over and the main focus of public authorities was to continue containing the negative effects of the COVID-19 crisis. So far, it is not known if the government has evaluated its crisis management system or initiated reforms to enhance preparedness. However, a number of expert groups have discussed these topics in their reports. As early as April 2020, the Prime Minister's Office appointed a working group tasked with planning Finland's way out of the COVID-19 crisis and deciding on measures to deal with its aftermath.

The Prime Minister's Office also appointed a 13-member multidisciplinary scientific panel to support the work of the group. The Ministry of Economic Affairs and Employment, and the Ministry of Finance appointed a working

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group of four economists to prepare an expert assessment of the impact of the coronavirus crisis and recommend measures that could be used to limit the damage to the Finnish economy. The Ministry of Social Affairs and Health, and the Ministry of Economic Affairs and Employment appointed a high-profile group to propose measures to strengthen well-being and equality in the aftermath of the coronavirus epidemic. The aim was to produce proposals to prevent persistent problems, social exclusion and an increase in inequality following the lifting of the restrictive measures used to tackle the coronavirus epidemic (OECD 2020).

Before the outbreak of COVID-19, there was already a widespread discussion of the political, social and environmental sustainability of the capitalist mode of production. COVID-19 has entailed a global disruption and transformation of politics and the economy. Many old truths regarding economic policy, for instance, have been questioned, and during 2020 the international consensus began to shift away from austerity and neoliberalism, opening up a window for policy learning and a new focus on welfare.

Citation:

OECD, 2020. OEDC Survey on the STI Policy Response to Covid-19. Accessed 28.12. 2020. https://stiplab.github.io/Covid19/F inland.html

# III. Resilience of Executive Accountability

#### **Open Government**

Open Government Score: 8 In principle, the government of Finland has tried to actively publish information on the COVID-19 pandemic. Up-to-date information on infection rates and their temporal development, the local distribution of infections, specific outbreaks, and the indicators upon which the government bases its risk assessments are publicly available, and data has been communicated in plain language. The government has published information on its crisis management policies. The government has stressed in all of its communication the scientific basis for its coronavirus actions. Furthermore, the government has encouraged citizens to follow its website, and the website of the Finnish Institute for Health and Welfare (THL), which provide comprehensive and up-to-date information on the coronavirus. The government website contains government decisions, information produced by the ministries on the effects of the coronavirus on different administrative sectors as well as topical material on the coronavirus produced by all government ministries (OECD 2020).

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Other public authorities and research agencies have also actively produced information on the consequences of the COVID-19 crisis. For example, Helsinki Graduate School of Economics established an economic situation room, with the aim of supporting rapid decision-making amid the coronavirus crisis. The Situation Room consists of leading economists from Helsinki GSE, VATT Institute for Economic Research, as well as members from several public authorities. It utilizes data from relevant public and private sources, and produces regular reports for policymakers. The data is collected and organized in close cooperation with Statistics Finland, the Ministry of Finance, the Ministry of Economic Affairs and Employment, the Bank of Finland, the Finnish Tax Administration, Kela, and other institutions (Helsinki Graduate School of Economics 2020).

However, in the spring of 2020, the leader of an economic expert group appointed by the government publicly complained that the government had not shared the assumptions used in epidemiological models to predict the spread of the virus. Only after extensive public pressure (Lahti, Wallgren, Kulmala 2020) did the government release this information. The affair concerned the R0 number used in statistical models, which predicts the way the virus will spread in the future. By concealing the R0 number used in statistical modeling, the government prevented independent epidemiological experts from forming their own assessments of the spread of the virus among the population.

Lahti, Leo & Wallgren, Thomas & Kulmala, Markku (2020): Laskentamallit eivät lähtökohtaisesti ole salassa pidettäviä [Stastistical Models are not by Definition Classified Information], Helsingin Sanomat 3.5.2020, https://www.hs.fi/mielipide/art-2000006494641.html

OECD, 2020. OEDC Survey on the STI Policy Response to Covid-19. Accessed 28.12. 2020. https://stiplab.github.io/Covid19/Finland.html

# Legislative Oversight

Legislative Oversight Score: 7 Early in the COVID-19 pandemic, parliamentary oversight came under pressure in Finland. As outlined in an OECD report, the operations of the legislature were threatened by health and safety concerns, and the government asked the legislature to accommodate swift policy action, either through faster budget procedures or by improvising new ones (OECD 2020).

The government cabinet, jointly with the president of the republic, declared that Finland was in a double emergency: a health emergency and an economic emergency. The emergency declaration itself was not reviewed by parliament, but when the cabinet issued a decree to use specific powers under the Emergency Powers Act (EPA) the decree was subject to scrutiny (Scheinin 2020). However, as outlined in Finnish legislation, the Constitutional Law Committee (CLC) of the parliament carefully reviewed the constitutional compatibility of special legislation and government decrees. Finland does not

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have a constitutional court, therefore there was no constitutional court review of actions taken or norms adopted by the executive during the crisis. The CLC has highlighted shortcomings in the government's compliance with the EPA. Among the law scholars there is a "consensus that the principles of democratic decision-making have been respected in the handling of the pandemic, as parliamentary oversight functions well, and the parliament still wields the highest legislative power in Finland" (Kimmel and Ballardini, 2020).

Most of the measures to contain the spread of the virus in Finland took the form of recommendations (e.g., regulations concerning the right of assembly and contact restrictions) (Tiirinki et al. 2020). However, at times, there were problems in communicating these recommendations. For example, the government may have exceeded its mandate when it ordered elderly citizens to remain indoors. When this oversight was discovered, the government argued that it had issued a recommendation, not an order. As public trust in authorities is high, Finnish people tend to take recommendations quite literally.

Kimmel, Kaisa-Maria and Ballardini, Rosa Maria, 2020. Restrictions in the Name of Health During COVID-19 in Finland. Harvard Law Blog. Accessed 11.1. 2021. https://blog.petrieflom.law.harvard.edu/2020/05/14/finland-global-responses-covi d19/

OECD, 2020. Policy Responses to Corona. Accessed, 28.12 2020. https://www.oecd.org/coronavirus/policy-responses/legislative-budget-oversight-of-emergency-responses-experiences-during-the-coronavirus-covid-19-pandemic-ba4f2ab5/

Scheinin, Martin, 2020: The COVID-19 Emergency in Finland: Best Practice and Problems, VerfBlog, 2020/4/16. Accessed 18.12. 2020. https://verfassungsblog.de/the-covid-19-emergency-in-finland-best-practice-and-p roblems/, DOI: 10.17176/20200416-092101-0.

#### **Independent Supervisory Bodies**

Auditing Score: 9

The role and duties of the National Audit Office of Finland (NAOF) are defined in the constitution of Finland. The NAOF audits central government finances, monitors fiscal policy, and oversees political party and election campaign funding (National Audit Office of Finland 2020).

The audit office is in a position to assess effectively financial risks associated with the government's policy response during the crisis and effectively advocate sound fiscal performance management vis-à-vis the government. Audits are not curtailed. In December 2020, the NAOF published a blog written by three economists which compared Finland and Sweden's strategies to combat the coronavirus and resulting economic fallout during the spring of 2020. The NAOF compiled a consumption-related mobility index, which utilizes Google's mobility data in places where services (and goods) are consumed (Kangasrääsiö, Kellokumpu and Strifler 2020).

However, in 2021, the audit office was caught up in a scandal which undermined its operative capacity.

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Kangasrääsiö, Suvi, Kellopumpu, Jenni and Strifler, Matthias, NAOF, 2020. Impacts on the Corona Crisis to Finland and Sweden. Accessed, 28.12. 2020.

https://www.vtv.fi/en/blog/impacts-of-the-corona-crisis-on-the-development-of-gdp-have-been-very-similar-in-finland-and-sweden/

National Audit Office of Finland, 2020. Accessed, 28.12. 2020. https://www.vtv.fi/en/

Office of the Data Protection Ombudsman, 2020. Accessed, 28.12. 2020. https://tietosuoja.fi/en/office-of-the-data-protection-ombudsman

Data Protection Score: 8 Finland has an independent authority that holds government offices accountable for handling issues of data protection and privacy. The Office of the Data Protection Ombudsman safeguards data protection rights. The office was fully operational during 2020. The Data Protection Ombudsman is a national supervisory authority which supervises compliance with data protection legislation. The Data Protection Ombudsman is an autonomous and independent authority, with the ombudsman appointed by the government. The ombudsman's term of office is five years (Office of the Data Protection Ombudsman 2020).

The Office of the Data Protection Ombudsman has resources to effectively advocate data protection and privacy issues vis-à-vis the government and has continued to do so during the crisis. Publication of COVID-19-related data, which cannot be used to identify individuals (e.g., anonymized statistics), is not prohibited by the data protection legislation.

Data protection has been an issue in Finland. The city of Espoo used a private contractor to trace exposure to SARS-CoV-2. From October 2020 onward, this private contractor, Luona OY, recorded the phone calls of hundreds of thousands of COVID-19 patients without their consent. The phone calls contained very sensitive information about the lives of patients, recorded in the two days before symptoms started to show. The need to track people's personal lives arose from the government's strategy to contain the spread of disease.

In 2020, a private mental healthcare provider (Vastaamo) was blackmailed by online hackers who got access to electronic records containing sensitive health information. This case was not, however, related to COVID-19, but it brought large-scale public attention to the issue of data protection.

Office of the Data Protection Ombudsman, 2020. The Office of the Data Protection Ombudsman safeguards your data protection rights- Accessed, 28.12. 2020. https://tietosuoja.fi/en/office-of-the-data-protection-ombudsman

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