

# Strategic Government Program: Overview of the Procedure and Its Execution

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## **1 Something new, something old**

When Juha Sipilä's government announced its policy program on May 27, 2015, it was hailed by many as the first "strategically" composed government agreement in the Finnish history of cabinet formation. To a certain extent this is a correct assessment. The program is written as a longer-term vision statement, a platform for a major reform of the Finnish society. It is accompanied by an analysis of areas that the coalition partners think are the most critical in terms of achieving the vision target. The program identifies key policy areas to which the government wants to pay particular attention during its time in office, thus encouraging the ministers to devote a major part of their energies to a limited number of issues that are common to the whole cabinet. These policy areas were also chosen specifically to respond to the persistent problem of sectorial differentiation of central

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government functions. The five key policy areas were designed to transgress agency boundaries and increase cooperation among cabinet ministers. Furthermore, the program is subject to annual revisions should economic or societal conditions change.

Compared to the style of previous government programs there certainly is a perceivable change. The text is shorter and includes relatively few fixed policy measures if the very detailed list of budget cuts is excluded. Besides, it takes the government strategy process further than any cabinet before by introducing mechanisms to increase collective cabinet work and to induce commitment by individual ministers. It also contains procedures to enhance political steering capacity and clarify jurisdictional boundaries between ministers and senior civil servants.

This being said, strategy as a tool for political government is not an invention of 2015. The Sipilä program carries a long tradition of government reform that saw its earliest domestic formulations already some 30 years ago. Finland was not in the forefront of the global wave of new public management reforms that started in the 1970s. But since the 1987 “blue-red” coalition of social democrats and conservatives government management reform has been on the agenda with a constant aim at a more effective political steering of policy processes.

Besides, in terms of new budget allocations for each year of the government term, the five key policy areas of Sipilä’s program represent, on average, less than one per cent of the annual state budget. Thus, a nonrecurring allocation of one billion Euros over a three-year period may not transform into a permanent change in corresponding policy areas when the funding comes to a close. Rather, these policy “packages” (as they are also called) are a political signal and a way to programmatically operationalize the vision for change that the cabinet wants to effect, and as such, they do not represent a radical break in the long chain of government programs. In earlier government programs we find similar attempts to make the cabinet’s political will more visible and manageable and to find ways to break

ministerial jurisdictions to tackle “vicious” problems. Policy packages resemble the policy programs (which did not have their own budgets) that were tried in Matti Vanhanen’s two governments in 2003-2011 and, at least in terminology, the strategic action plan of prime minister Jyrki Katainen’s government of 2011.<sup>2</sup>

However, it would be a mistake to say that the Sipilä government is just another government that follows a trodden path. First, the new budget allocations for the policy packages are not all there is in the program. Again, if we leave out the budget cuts, we find policy measures that have very significant fiscal effects, such as the social and health services reform or easing legally stipulated municipal responsibilities. Second, major non-allocational fiscal effects can be found even within some of the policy packages. Take for instance the failed labor market talks which resulted in government’s plan B, including the reduction in employers’ social security payments with a price ticket of 847 million Euros. The loss in state’s social security fund would then be compensated for by cutting employee benefits. If implemented. This single measure equals 85 per cent of the new strategic allocations and tells us that the government program can be quite far from a fixed list of measures.

Another element that is of interest here relates to the means that the government has decided to use towards its strategic priorities. Just consider the plan to reallocate 100 million Euros of state development aid to be used as loans to private sector actors operating in development projects. Another example is the much debated cut-back policy in the Finnish higher education sector. The government will decrease funding of higher education by 290 million while adding 50 million for teacher education, 70 million for capital funding of universities and 30 million for applied research (PMO 2015c). The net

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<sup>2</sup> The idea of dividing government program in two parts, one more general the other more operational and detailed, is not without more distant predecessors either. Urho Kekkonen’s fourth government in 1954, Ahti Karjalainen’s first government in 1962 and Rafael Paasio’s first government in 1966 added a short but detailed “action protocol” into their programs (Hakovirta & Koskiaho 1973, 288-290; 302-305; 309-310) and in 1978 Kalevi Sorsa’s second government elaborated its brief program by publishing an action plan almost a year after taking office (Taivalsaari 1990, 25).

effect for higher education will be a loss of 140 million while 150 million will be retargeted. Although the main thrust of the government program is fiscally contractive, there are clear cases where major reallocation takes place. The government's implementation document puts emphasis on change (PMO 2015c, 7), just like the government program when it describes the policy packages and their political function. Reallocation of budget funds is a necessary element if any government wants to combine reduction of public spending and change.

The policy packages also serve the function of the cabinet's internal division of labor. Besides the four statutory ministerial committees, Sipilä's government decided to create ad hoc committees for each of the major policy areas, placing ministers from each coalition party in every committee. These ad hoc committees amount to six. One key area, Competitiveness and Employment, was assumed by one of the statutory committees led by the prime minister (Cabinet Economic Policy Committee). The whole cabinet convenes twice a month to review the status of the projects. For the first time all non-constitutional ministerial committees are organized so as to directly reflect the government program.<sup>3</sup>

So we have both continuity and rupture in Sipilä's government agreement. In what follows, these features will be studied more closely by introducing, first, the prehistory of the Finnish version of strategic government and, second, assessing the formation of Sipilä's government agreement and the subsequent developments in refining the program document. Here, emphasis will be on government structures and processes that condition policy making, not the policies themselves. Special attention will be paid to budgetary process.<sup>4</sup>

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<sup>3</sup> An early, yet isolated, example of this type of cabinet organization is the Ministerial Committee for Administrative Reform that was created in 1987. In Matti Vanhanen's governments (2003-2011) a total of seven ministerial working groups were established to oversee policy programs.

<sup>4</sup> A note on sources: This study is based on three source categories, namely media reports, official documents and interviews. Media sources are mentioned only in the text. Official documents are listed also in the bibliography. A separate list of interviewed persons can be found at the end of the bibliography. The

## **2 The whole-of-government tradition in Finland**

The commonwealth countries of New Zealand, Australia and Britain are often mentioned as the cutting edge examples of central government reforms. The reforms with which these countries are associated cover a wide area which is often referred to as new public management. This is no place for reviewing these reforms in any detail. It suffices to say in this context that new public management reforms were an attempt to transplant private sector management techniques onto the public sector and introduce more dynamic to rule-based and input-oriented bureaucracy. There was a new interest in creating a system of government that would respond to citizens' needs and operate on the basis of achieved results. To effect the change the governments in these commonwealth countries implemented various reforms in order to turn bureaucrats into managers and politicians into strategic leaders. This required decentralization of government agencies and delegation of operative decision making powers away from central agencies that were mostly responsible for setting targets and monitoring results. The early stage of this development is often described as management by results.

The very first reform program that put clear emphasis on the cabinet's ability to effectively steer its policies was announced in New Zealand in 1992 (Tiili 2008, 33-40). The program's main goal was to counter the problem in managerialism of letting a void develop between public sector managers and agencies. The problem was identified as a consequence of decentralizing without paying sufficient attention to the connection between political priorities of the cabinet and their implementation. The New Zealand

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interviewees were selected based on their knowledge of the government talks and the planning of the program format. For reasons of confidentiality interview quotes are not identified in the text.

reform of 1992 turned the tide and made government strategy a first priority. This was referred to as the whole-of-government strategy. The reform, which was led by the prime minister's office, introduced first a government vision statement and two years later linked the government vision statement to horizontal SRAs ("strategic result areas"). These were negotiated between ministries and the PM's office, accepted by the corresponding ministers and finally decided upon in the cabinet meeting. The frequent updating of SRAs and linking them with annual budgeting proved difficult. The system lived through the first years of New Zealand's electoral reform and the resulting multiparty government but was discontinued in 1999. It was replaced by a system that puts much less emphasis on horizontal cooperation as could be expected from a coalition government which harbors more diverse party interests.

Towards the 1990s NPM reforms were subject to widespread criticism for introducing too much managerial discretion into government administrations. The New Zealand's experience was used as a blueprint for developing public management models that would take the cabinet's strategic planning capacity into account without isolating politicians from policy implementation but without confusing the two either. Politicians should be involved at least to some extent in seeing through and giving directions to policy processes. These ideas were actively disseminated by OECD's Public Governance Committee which was established in 1990 as the Public Management Committee, PUMA.

The Finnish central government reform started in the mid-1980s as a management reform similar to those initiated in many other OECD countries. It was an attempt to increase effectiveness and service-orientation by introducing management by results principles and decentralized organization. As decentralization was and still is an integral part of the Finnish governmental system, there was perhaps more room for thinking about solutions for connecting political decision making and delegated authority right at the start. Tiili (2008, 55) notes that when Harri Holkeri's government decided to launch government

reform in 1987, the role of ministers was defined precisely as setting political goals and priorities and framing governmental action. These reforms have been covered earlier in much detail by others (Lähdesmäki 2003; Pollitt & Bouckaert 2004; Savolainen 1996; Temmes & Kiviniemi 1997; Tiili 2008). We will here take up just a few issues to underline the continuity of these reforms.

The background of Sipilä's strategic government agreement can be traced into Paavo Lipponen first government that took office in 1995. This government was the first to use strategic planning as a tool of implementing the government program. A few months before Lipponen's government was formed, a working group in the Ministry of Finance (MOF) proposed a "government strategy portfolio" as a way to collect policy projects in one place and create a better coordination between government program, budgeting and policy implementation. The strategy portfolio system was set up and altered several times following further reports by MOF working groups. From the very beginning the working groups pointed out what they saw as a fundamental problem in central government operation, namely the ministers' inclination to take more interest in the details of their respective administrations than workings and priorities of the whole government, which presumably resulted in pressures to advance specialist bureaucratic interests and inflate budgets (MOF 1995, 19). These same grievances can be found twenty years earlier in the reports of the parliamentary Central Government Committee that made several yet mostly unrealized proposals to enhance the government's steering capacity (Numminen 1985, ch. 5). There was no talk about strategic management at the time but the problems seem to have been quite similar. Ever since 1995 government's strategic prioritizing and strategic capacity have been on the agenda of the reforms. Time and again administrative working groups have complained that the governments do not work together as units, fail to set priorities and are unable to connect their policies and the budgetary process (National Audit Office 2012).

A particular problem, especially after the 1990s, has been the lack of horizontal coordination of policies. It is a common view today that policy problems cannot be divided into neat groups that follow the jurisdictional lines of ministries. Scholars, consultants and top civil servants have been trying to persuade politicians to accept the tenets of strategic thinking for years. A sign of success appeared in 2000 when Paavo Lipponen's second government launched the Central Government Reform project. A team of experts was set and their report (Bouckaert, Ormond & Peters 2000) became an important source for reforms. The horizontal policy programming that Matti Vanhanen's first government initiated in 2003 was a direct result of this work. The policy programs system was created to connect the government program and concrete implementation work better together. Policy programs were thought to express government's priorities better than the strategy portfolio could do alone. The portfolio evolved into what was called government strategy document in which the old listing of policy projects was replaced by a stronger horizontal orientation. The strategy document lived on but the policy programming came to an end in 2011 when Jyrki Katainen's government took office. It was apparent that the policy programs did not do what they were designed to do, that is, enhance government's common strategic steering capacity across administrative jurisdictions. They did not have budgets of their own and, based on evaluation reports, the ministers who were responsible for horizontal coordination were unable to influence budgetary decisions concerning the programs (Tiili 2008, 120).

### **3 The present state of government strategy process**

By the time of Matti Vanhanen's second government in 2007 there was a fair amount of consensus among leading politicians and civil servants that the written government agreements were too complex and detailed. They tended to function as political straight-

jackets making policy changes very difficult during the government's term (MOF 2011; MOF 2007; PMO 2006, 24, 30). Moreover, implementation and follow-up procedures were many and varied and often insufficient. Also, the detachment of budgeting from the government program seemed to have been a persistent problem (National Audit Office 2012). There was also an expressed need for more use of systematic knowledge in the policy-making, including planning, implementation and assessment of objectives (MOF 2015d). As a consequence, the critics said, government decision-making was poorly coordinated. Strategies were formulated for various government sectors which might or might not concur in supporting the government's main objectives. Often, there was also a lack of a common view put forward by the cabinet, resulting in a wide-spread uncertainty as to what were the intended effects of these strategies.

The next step in the line of whole-of-government reforms was the PMs Office-led KOKKA project, which was partly inspired by OECD's country report on public governance (OECD 2010). KOKKA started in 2010 and paid attention to well-known problems of underdeveloped horizontal government, lack of clear policy priorities and difficulties in reallocating resources, disconnection between government program and budget, complex and dispersed decision making in the cabinet, and want of policy-relevant knowledge and impact assessment. KOKKA published a list of recommendations in 2011 to be ready for the new government to implement later in the year (PMO 2011).

The KOKKA project took the past experiences into account and it proposed, among other things, that in the beginning of government talks the party leaders should first agree on economic policy and the main budgetary rules and only after that decide on other political goals, which should be so formulated as to avoid too many details. The government program should be a strategy document right from the start. It was also

proposed that the government should reserve budget allocations for its strategic priorities.<sup>5</sup> Once the government had been formally appointed, the PM's Office and the MOF should start immediately working towards the government strategy document so that the MOF took care of the budget side and the PM's Office collected necessary policy information and evaluation indicators together with the line ministries. The strategy document should be monitored annually and be amenable for change. Also, the cabinet's internal structure should be built on the basis of government strategy, the number of ministerial committees should be cut down, and cabinet's collective work should be strengthened (summarized in OECD 2015).

The government talks in 2011 were long and complex which was reflected in the government program. No clear priorities were set, nor was there any serious attempt to integrate the government program and the budgetary process. The very detailed program was left for the PM's Office for adjustment. In practice this meant a tedious content analysis of the document and rearranging it into three large political objectives which then became, quite artificially, government's strategic priorities: reduction of poverty, consolidation of public finance, and sustainable economic growth, employment and competitiveness (Council of State 2011). Over 900 different measures were identified out of which 140 were named as priorities. The strategy document was formally approved by the government and prepared in the PM's Office. Yet, the document remained quite isolated from the political decision making of the cabinet (interview data).

The most recent effort in reforming the government's decision making procedures followed soon after the KOKKA had its limping start. OHRA was set up in 2013, formally by the second minister of finance, Henna Virkkunen, whose ministerial responsibilities

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<sup>5</sup> In fact, integrating budgeting and government program through government's strategy document was not a new idea in 2011. It was expressed already in the evaluation report of government policy programs in 2006 (PMO 2006, 44).

included administrative reforms (MOF 2013).<sup>6</sup> In its proposals OHRA followed KOKKA very closely to the extent that the two projects were almost identical in their aims and methods and formed a seamless continuum. There were some notable differences, though. The problems encountered in implementing KOKKA's proposals led to a more efficient and inclusive planning process for OHRA. In the early stage, the project team ensured that there was an agreement among the main parliamentary parties on the need of reform. Also, PM's Office invited a special "supportive group" to follow the process and give feedback to civil servants. The idea was to involve a small number of people from different parties who were also interested in government reform. The top management from the MOF was also involved as well as the PM's state secretary Olli-Pekka Heinonen. Early on a problem that was related to the MOF's budget department (BO) was identified. Budget officials tend to withdraw from the whole-of-government type activities in order to keep budgetary decision making from spreading unnecessarily. For the reform minded civil servants it was evident that in the 2011 government talks and the drafting of the government strategy document cooperation with the BO could have been far more active (interview data; for an earlier observation, see OECD 2010, 31).

#### **4 OHRA and the elite network**

The OHRA reform documents emphasized – just like the predecessor project KOKKA – that the major aim was to create a unified government process to fight ministerial entrenchment and diffuse and decentralized policy-making, to improve government's ability to react to changes and to support long-term planning. It was assumed that increasing the cabinet's steering capacity requires: 1) a priority list of major policy

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<sup>6</sup> The OHRA working group was chaired by the head of the Secretariat for Government Strategy Work, Sirpa Kekkonen, and co-chaired by the MOF's permanent secretary Martti Hetemäki.

objectives by the cabinet; 2) operationalizing these objectives in the form of policy packages; 3) delegation of detailed implementation of packages to ministries; 4) integration of policy packages to budgetary process and fiscal planning; 5) building separate coordination and follow-up mechanisms for the implementation of policy packages and 6) simplifying the organization of the cabinet and strengthening the prime minister's position.

In terms of the government program these proposals would mean a short strategic agenda with 3–5 main political objectives for the government's term and drawing a separate and detailed action plan for the purposes of implementation and concrete policy measures. The action plan would be formulated within three months after the new government had been nominated and reviewed annually in the spring together with budget frames. The action plan would be prepared jointly with the General Government Fiscal Plan which act as a compliance report to the European Commission stipulated by the European Stability and Growth Pact. Thus, it would be tied both to the state budget and the EU-led fiscal policy coordination. The action plan would be given to the parliament in September together with the budget and the fiscal plan. In the following, I will focus first on the government talks.

Already during the election campaign parties adopted strategic language as part of their campaign rhetoric. The Center Party and Coalition Party were most clear on this. During the Center Party's electoral planning Sipilä had taken an interest in the ideas developed in the Finnish Innovation Fund Sitra. These ideas were almost identical with those expressed in the OHRA project. Sitra's President Mikko Kosonen was active in shaping the Center Party's electoral platform with its five-point model for the strategic government program. Observers close to the government explain Sipilä's fondness of Sitra's message on the importance of strategy and the "agile state" by pointing at Sipilä's business background and the leadership style common to business operations (speed, determination, unity, and

commitment). As one observer said, Sipilä personally introduced the idea of strategic government program to the Center Party's parliamentary party group.

Kosonen and a Sitra consultant were invited to join the government talks with a view to guaranteeing that all negotiators understood what a strategic program meant and not wonder off towards details.<sup>7</sup> Approximately 50 per cent of the participants had no prior experience of government talks at all and the other half was more or less accustomed to the style prevalent in earlier talks. The consultant's role was to act as a facilitator in helping participants to define strategic goals instead of engaging in the traditional style of detailed agreements based on ministerial agendas (interview data). It was not uncommon that the head negotiators returned program proposals back to working groups for rewording as the proposals were too detailed. A SWOT analysis for a national strategy was conducted with Sitra's assistance and included in the final government program.

Indeed, Sitra had an interesting role in the process of forming the government program. Sitra has been very active in promoting change in government operations for several years. A real turning point was the publication in August 2014 of a major report on the nature of the state and its government in the globalized world of intense competition. In the report, Kosonen and his coauthor professor Yves Doz argued that the Finnish government programs were not yet strategic enough and that there was too much ministerial autonomy that prevented governments from taking the lead (Doz & Kosonen 2014, 44). The report prompted a seminar in September where party leaders endorsed these ideas. According to Aleksi Neuvonen, a think tank research manager and a frequently seen speaker on Sitra's

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<sup>7</sup> The daily paper *Helsingin Sanomat* described Kosonen as the "main architect of the strategy process" (*Helsingin Sanomat* 12.5.2015). The role of the consultant was described as purely facilitating by the interviewees. Yet, this is by far the first time a professional consultant has been invited to take part in government talks in Finland. In 2010, during Matti Vanhanen's term as the prime minister, the PM's Office hired the consulting firm McKinsey & Company to brainstorm materials for the next government program. Some of the ideas put together by McKinsey found support among the coalition of 2011. Before the election of 2007 McKinsey published a *pro bono* policy report intended as guidance for government talks. According to news reports, this report did not interest politicians but similarities were later found between the report and Jyrki Katainen's government program (*Yle News*, Feb. 18, 2010). On some rare occasions, parties have sought inspiration from notable outsiders, e.g. in 1991, when Esko Aho formed his government, the philosopher Esa Saarinen lectured on leadership for the negotiators (Pokka 1995, 26).

occasions, said in May 2015 that Sitra and party representatives had had “broad discussions” on problems of government decision making and strategic management as a remedy (Neuvonen 2015). Based on this report, Sitra published a strategic model program in early February 2015 (Sitra 2015) almost simultaneously with the launch of the Center Party’s electoral version of strategic government program (Center Party 2015). The two versions were structurally identical. Both used the same concepts to describe the four levels of strategic action: vision, long-term objectives, objectives for electoral term, and implementation through policy packages (*kärkihankkeet*).<sup>8</sup> A few days later Sitra organized a seminar that addressed the problem of “bringing strategy back to politics” (Sitra Debatti 10.2.2015). Think tanks affiliated with the four largest parties were represented among the speakers.

Sitra is institutionally connected to government administration. The MOF together with the Ministry of Employment and the Economy and the Ministry of Education and Culture are by law represented in Sitra’s Board. For the past few years, the chairman of the Board has been the MOF’s state secretary Martti Hetemäki, a key person also in the OHRA project. Also the Prime Minister’s Office is a close collaborator of Sitra. In 2012, Sitra and the PMO joined forces in a three-year development project providing intellectual backing for OHRA (Governments for the Future). Further, the PMO and Sitra coordinate jointly the National Foresight Network, “a discussion and coordination forum for national foresight actors” that “aims to promote the use of information and futures perspectives in decision-making” ([www.foresight.fi](http://www.foresight.fi)). The network started in February 2015, and on June 5, a week from the publication of the Sipilä government program, it organized a seminar on the program. Sipilä’s own relationship to Sitra might have been fostered by the ex-chairman of his party, Esko Aho, who was Kosonen’s predecessor as Sitra’s President. Kosonen

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<sup>8</sup> The yellow press immediately noticed the similarity between Sitra’s and the Center Party’s models (*Iltalehti* 31.1.2015).

moved into Sitra from Nokia in 2007 and a year later he followed Aho as the President when Aho, in his turn, was hired by Nokia. This took place when the leader of the Center Party's parliamentary party group Timo Kalli was the chairman of Sitra's politically appointed Supervisory Board. Aho published a brief plan for the government's strategic organization right under the government talks (Aho 2015).

The point here is not that Sitra would have assumed a role that properly belongs to elected politicians, nor that Sitra would have operated in a clandestine manner or outside its charter. On the contrary, as a public fund controlled by the parliament, Sitra is expected to offer ideas and proposals that are politically relevant. Sitra's activity is yet another, although quite strong, indication that the Finnish government reform had reached a historical momentum with several elite actors coming together under similar agenda. In its first review for 2015, published in March, the Supervisory Board congratulated Sitra for "having influenced both the structure and content of parties' electoral programs" (Sitra 2015).<sup>9</sup>

## **5 Politicians take control**

It was also quite obvious that parties wanted to create some distance between them and the previous government that ended its term internally divided and unable to implement its own agreed-on policies. In the very beginning of the government talks the prime minister-to-be, Juha Sipilä asked parties a series of questions to set the stage for the talks. The very first question concerned the long-term political vision and the most important strategic goals. Towards the end of the list Sipilä asked parties if they were committed to the type of cabinet work that the strategic government program required. One, if not the most important, reason for leaving the social democrats in opposition may be the doubtful

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<sup>9</sup> Looking at the government program there are a few similarities with Sitra's priorities, e.g., cleantech, basic income, social and health services reform, recycling, digitalization, and venture capital. This is, of course, not to say that these strategic areas would have originated solely in Sitra.

attitude that the party had towards the strategic program (interview data). For the social democrats, it was unlikely that the cabinet work would go smoothly if so many issues were left outside the program, especially in view of the serious distrust that had grown between social democrats and the Coalition Party in the final months of the previous government. Fewer elements, of course, was exactly what the strategic program required – focusing on important issues together and tackling smaller issues as previously. In March, the social democrats halfheartedly published their own draft for a “strategic program” mainly because at that point it seemed appropriate considering the public sentiment and media attention (interview data). The Center Party and Coalition Party had had their own model programs highly visible already since early February. During the government talks, before the decision of the coalition partners was made, the social democrats were able to agree with Sipilä that the government program should include the main policy lines in every ministerial sector, a move which would have shifted the program towards the traditional form (interview data). After the coalition between Center Party, Finns Party and Coalition Party was set Sipilä made a public statement and promised a “proper” program for his government, meaning a strategic plan without attending systematically to all sectoral interests.

The whole-of-government tradition has been quite consistent in emphasizing the main role of elected politicians in the policy process, including government program. In reality, policy formulation is rarely monopolized by politicians. It is commonly known that interest groups and civil servants play a role in government policies. These actors have substantial policy views and they provide information for the prospective parties during government talks. It has been a norm that ministerial materials find their way to the text of the government program. Sometimes representatives of interest groups, especially labor market organizations, have taken an active role even in the writing process of the program. Many leading politicians did not hide their irritation when this happened during the talks in 2011.

In 2015 the government talks differed quite radically from many of their predecessors in that the labor market organizations were not invited. In fact, it was made clear by Sipilä that this time politicians would be concretely responsible for writing the program (interview data), meaning that all interest groups would stay outside the premises of the talks. Although this order was not strictly followed, the participants that were interviewed all reported a marked difference in comparison to the government talks in the past. This does not mean, however, that the interest groups did not have any influence on the program. The party leaders were frequently contacted by interest groups during election campaign and even before (interview data).

Naturally, the decision to exclude interest groups left the field for leading civil servants whose presence was vital when the negotiators needed information on draft legislation, required budget calculations or wished expert feedback on various policy proposals. It should be pointed out that even the involvement of state secretaries and other high-ranking officials was more limited than previously. For instance, the PM's office led "back office", as proposed by the OHRA group, was absent (interview data). The talks were set in motion by a deliberation on the government's political vision which was to serve as a guideline for issue-related working groups. The traditional format would have included a review of on-going affairs and ministerial plans by the permanent secretaries. This time they mainly informed the working groups composed of party representatives.

Another alteration was the reversal of issue order. In the beginning of the talks, only the Bank of Finland and the MOF presented their economic reviews and forecasts. The MOF had prepared a comprehensive expenditure review and a detailed list of potential targets for budget cuts. The review project was officially initiated already in June 2014 and authorized by the MOF state secretary to last until the end of April 2015 (MOF 2014) and to be ready for use in government talks. This material was given to all participants at the outset. All budget cuts were settled before the more substantial matters were discussed, excluding the

early settlement of foreign and security policy, EU policy and immigration issues (interview data). In many earlier talks substantial policies were agreed before fiscal matters, and the two major parts of the government program were decided quite independently.

What was said above is a strong indication that Sipilä and his coalition partners followed closely the ideal expressed already in the KOKKA reform plan in 2011: they agreed first on the most difficult issues that were also given a strategically central place in the government's program, namely foreign policy, European Union and immigration and refugee policies. Next came economic and fiscal policies. Sipilä anticipated these policies already in his initial list of questions to parties. The MOF was mobilized at this stage because economic and fiscal policies were framed by the MOF's economic forecast and debt reduction plan made public already before elections. The rest of the government program consisted of five strategic policy areas and a series of structural reforms that were partly inherited from the previous government, such as the social and health services reform. The coalition partners also agreed to reserve special funds for the five strategic policy areas, a measure that was explicitly recommended already in the KOKKA document. These policy priorities were described on a fairly general level but mostly without the usual avalanche of ambiguous terms. Although the program was clearly strategic in form it contained a good number of detailed policy measures, not to mention the very detailed budget cuts that were listed in a separate 19-page appendix. But still, this appendix was quite vital in terms of setting up the terrain for the cabinet's work. The cuts were a corner stone of the government's fiscal policy and having only an aggregate figure or vague intention would have made it difficult to keep the government cohesive. In that sense, it was strategically meaningful to have details in the government program.

## **6 The slippage**

The OHRA recommendations suggested further that once the government strategy document has been agreed on, the PM's Office and the MOF would set up a special secretariat to coordinate the preparation of the fiscal plan and strategy-based policy packages (key policy areas) in the line ministries to be collected into one strategy document called the government's action plan. The cabinet would approve the packages and monitor their implementation with the help of the secretariat. Each policy package would be led by a responsible minister and a ministerial committee which would be nominated once the action plan has been completed to ensure cabinet collectivity. Besides legally stipulated ministerial committees the only additional committees would focus on policy packages. The ministerial committees would, in turn, be assisted by administrative working groups led by Permanent Secretaries of the ministries. Once a year, in the spring, the cabinet would review the progress of implementation of policy packages and make adjustments during the budget frame decision.

These recommendations materialized only partly. Still in May it was thought that the work towards government's action plan would start immediately after the government took office. In the beginning of June the ministers set up a common office in which they would negotiate the plan. In a few weeks' time it became apparent that ministerial schedules were too tight and their pressing duties so many that it was impossible to follow the intensely collective mode of planning. The cabinet's consorted activity was hampered by the Greece bailout talks, difficult negotiations with labor market partners, and the refugee crisis in Europe. Besides, the month of July was dotted with summer holidays. As a result the government action plan was drafted during August and September. It was finished according to the given deadline (end of September).

The OHRA secretariat and the joint working groups involving the PM's office and the BO existed finally only on paper. The five strategic key projects were divided between cabinet ministers already in June. It can be seen as a practical way to involve the ministers

and get things done (interview data). The collective alternative was already proven nonfunctional and time consuming. It is also a way to ensure that the strategic processes are tightly in political control. The collective alternative with civil service working groups would have been more difficult to organize and contained an element of bureaucratic drift and problems of control. Again, in reality the ministerial working groups were faced with hundreds of proposals coming mainly from the ministries, yet, assisted by the PM's Office, they were able to sort them out and select those to be funded. The one billion strategic allocation was divided between the key areas at the end of August after which it was easier to put individual projects in an order of priority.

## **7 The MOF's strategy**

The Ministry of Finance has often been criticized for its bold intrusion into political decision making. The critique is somewhat countered by the fact that governments have often left unpopular decisions, such as budget cuts, to be made by MOF officials. What comes to the spring of 2015 it is very difficult to find evidence that the ministry had taken over the fiscal part of the government program because the party leaders would have been afraid of cutting benefits. Rather, the MOF's influence was indirect in the sense that, first, it was able to frame electoral debate by well-timed publicity and, second, it remained in an advantageous position during government talks thanks to the attempts to keep the talks at the strategic level.

Traditionally the ministry prepares economic reviews four times a year. During electoral years the spring review appears a few weeks before elections (following the review in December). The spring review usually includes some recommendations for the budget frames and expenditure rules for the government. In 2015 the ministry was particularly active and its Economics Department published an additional policy report that was

explicitly aimed at the new government, suggesting stringent austerity measures, workfare reforms, labor market flexibility, neutral changes in tax rate, and pro-industry politics (MOF 2015). The report had a conspicuous subtitle that underlined that the text has been produced by the MOF civil servants without political authorization. The MOF was under social democratic control at the time and the minister of finance, the social democratic party leader Antti Rinne, dissociated himself from the report. The MOF's state secretary Martti Hetemäki said (*Helsingin Sanomat*, June 3, 2015) that he could not interfere in the writing of the report because the ministry's economic forecast unit is an "independent" authority as stipulated by law since February 2015. Hetemäki's legal interpretation was quite ample, though, as he took actively part in writing the report's summary and policy recommendations. The law, signed by Rinne himself, formally limits the independence of the forecast unit in state budgeting and economic planning. Economic policy recommendations may or may not be such independent activity as implied in the law.<sup>10</sup> This report came out on March 19 and received much public exposure and became a topic in televised political debates.

The MOF civil servants were in a pivotal role also in providing the vital fiscal calculations for the government talks. In retrospect, as the government agreement was very heavy on budget cuts and public debt problematic, we can assume that MOF's aims at financial stability were in a major role (e.g., issues such as fiscal sustainability gap, public sector debt, EU's growth and stability pact) even to the extent that fiscal policy objectives dominated the government's strategy. This was visible at the beginning of talks when the prime-minister-to-be Juha Sipilä asked all parties if they accepted MOF's estimate for

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<sup>10</sup> One of the requirements of the European Stability and Growth Pact was national legislation that would define an independent economic forecaster which would provide macroeconomic analyses for public sector budgeting and economic planning. The MOF responded to this need by proposing a redefining of its own in-house forecast unit (MOF 2013). Legislative background material shows that some relevant organizations were not convinced that a MOF unit could be truly independent. By independent the European budget act means "structurally independent organs which are functionally independent from the budgetary officials of a nation state" (HE 300/2014 vp).

financial adjustment of six billion Euros. Earlier Sipilä had repeatedly announced an end to public debt dependency. During the talks the MOF's presence might have influenced the policies as each working group received a target figure for expenditure cuts and a list of alternatives for cuts prepared by the MOF. This took place before anyone had a chance to discuss substantial political issues. This time budget calculations were in the forefront, and in the absence of interest groups, it is quite evident that the MOF's role was unusually big in a historical perspective.

In brief, MOF became a party of the talks very early in two ways: first, in its enhanced pre-election role as an economic policy adviser and budgeting expert during the talks that were structured so as to allow the MOF's significance to grow, and, second, as an ally of the Center Party leadership. For the Coalition Party this was more than a welcome role as the party had committed itself to MOF estimates during the election campaign. Other coalition partners had to adjust their economic policy lines to correspond MOF figures only after the election.

As already said, the MOF remained largely in the background during the summer, preparing forecasts and drafting the budget and the General government fiscal plan while the cabinet concentrated on the action plan. It seems that the program itself was favorably received in the MOF and the action plan was left for the PM's Office (interview data). A central element in the OHRA reform proposal was the cooperation between the PM's Office and the MOF in creating the government action plan. The explicit aim was to enhance fiscal planning, strengthen government's steering capacity and ensure better effectivity. As Bellamy (2011) reminds, rational planning may result in more complexity if the number of transactions will grow in proportion to the amount of necessary coordination. As it turned out, the MOF did not get involved in the concrete planning of key projects but remained mainly outside the process. The BO and PM's Office did exchange information, and this was more active than ever previously (interview data). From

the point of view of the BO leaving the substantial side of the government program for the cabinet and PM's Office was justified in the sense that there was a risk that BO's involvement signaled a possibility of deciding financial matters on new forums. To an extent this happened when the coalition leaders decided how to split the one billion reserve among the five strategic policy areas and delegate the coordination to the PM's office. However, this was already taken into consideration in the budget; only the details were waiting to be put into their proper places in the budget document.

A key element in the government's action plan was to ensure that it is done in coordination with the general fiscal plan. When looking into the general fiscal plan we see clear indications that items that originate in the government agreement and the policy packages were transferred from the action plan into the fiscal plan and highlighted there as signs of government policy priorities. It is worth of note that the budget itself was prepared in the traditional manner. The 2014 general fiscal plan was updated in June after the government had decided on budget cuts and new allocations for the strategic areas or policy packages. At the time of writing the funds for the policy packages were still undecided but the expenditures were put in their proper places as budget items by officials in the BO right before the government's budget negotiations started in September (PMO 2015).

The long-term reformist goal of government-led priority budgeting, reallocation of expenditures and crossing of ministerial jurisdictions within the budget did not materialize but in a very limited sense. There has been some discussion in the government circles that the BO should be more active outside its narrow duties as a financial watchdog. This would generate some flexibility in the budgetary process, which, in spite of the contrary aims, has been criticized as being too rigid (e.g., National Audit Office 2012). The first attempt to implement a real strategic government program seems to have had only minor effects on the position of the MOF and the budgetary process. The flexibility that is built into the

idea of strategic government program was largely lost when the coalition partners decided on budget cuts and the strategic allocation of one billion Euros. Once these measures are taken into the budget it is very difficult to reallocate the funds reserved for them. It is true that together the cuts and new allocations mean reallocation in some areas, but this was set already during the government talks. It remains to be seen if some new forms of flexibility will see the light of day when the government reviews its action plan next spring.

However, considering government's strategic priorities, the action plan easily draws attention to wrong issues if one looks only at the budgeting procedures. Not that the policy packages did not reflect government's priorities or that they were not planned in earnest. They certainly were. The crux of the matter is that we should not forget the fact that major strategic decisions were made already during the government talks when the parties agreed on economic measures to put Finland back on the growth track and avoid sanctions from the European Union for not complying with the public sector deficit criteria of the Fiscal Stability Treaty. Finland had implemented the treaty's stipulations as a law in 2012.

European Commission issued a "warning" to Finland during government talks in May for letting the public debt and public sector deficit's GDP ratios exceed the limits set in the stability pact. The commission's warning was based on forecast that showed that the difficulties in the Finnish public economy were not merely temporary deviations and therefore called for action. Coalition Party leader Alexander Stubb said at the time that counter measures were already under discussion in the government talks. When Sipilä's government announced its economic reform program together with sizable cuts in public spending at the end of May, the Commission published a favorable commentary soon after, letting Finland off the hook. Commission's response was based mainly on the program of the Sipilä government and its long-term plan to cover the public sector sustainability gap of estimated ten billion Euros and correct the Finnish public sector's financial imbalance.

When looking at the General government fiscal plan (MOF 2015a, 63-64), we notice that despite the predicted drop in the deficit/GDP ratio (-2.8 % in 2016 compared to -3.4 this year), the public sector's structural deficit deviates significantly from the -0.5 level agreed in 2013. The structural deficit, sanctioned by the European stability pact, varies between -1.4 and -1.9 in 2014-2019. However, Finland's public sector spending in 2015-2019 conforms to the stability pact's spending rule that allows growth in public spending that is slower than the annual growth of the medium-term GDP, thus leading to the path of balanced budgets. With the publication of the fiscal plan the government communicated to Commission's budget specialists that Finland is using the spending rule instead of the structural deficit as a measure of fiscal stability, which allows less contractionary fiscal policy than could be the case if structural deficit was used as a measure.

Several economists have criticized the way structural deficit is estimated, among them the state secretary of the MOF, Martti Hetemäki (2015). In February, a MOF report called for a simplified stability pact and a reversal for further fiscal integration (MOF 2015b). This "nationalist" (every country for herself) turn in fiscal policy can be seen as a way to smoothen the road to cabinet for the Finns Party, but equally well it may be taken as a call for balanced budgeting and fiscal autonomy which have been a Finnish tradition. The European stability pact with its preemptive measures and complex rules have resulted in a weakening of national MOFs. Budget cuts together with the critical assessment of fiscal integration in the Euro zone have two politically relevant and closely tied effects: financial balance in the public sector and the strengthening of the national MOF.

Sipilä's coalition partners made another major decision during the program talks, namely to avoid increasing the general tax rate. In practice, this meant that the coalition partners ignored what some experts say is more than a twenty-billion asset to stabilize public economy. As the Sipilä government explicitly profiled itself as a government of entrepreneurs, new business, and supply side labor market policy, tax allowances for

businesses, farms, investors as well as consumers (VAT) were kept intact. Instead, the government agreed on 24 changes in taxation, including tax cuts in new cars, income tax cuts for small and middle income households as well as a special reduction for small businesses and corresponding tax hikes on the highest incomes, certain fuels and tobacco (PMO 2015a). For government strategizing it is interesting that all major tax allowances were part of the MOF spending review that was published in April (MOF 2015c) and made available for the coalition partners during the talks. Ministry of Employment and the Economy had also published a review of industrial tax subsidies in which the ministry identified several tax items that it said were “harmful” (MEE 2012, 35). The MOF Economics Department speculated still in June that the government could raise the overall tax rate without causing a fall in revenues (Kotamäki 2015).<sup>11</sup> The government, however, stuck to its determined position not to increase the overall tax rate and decided on measures whose net effect was neutral from the point of view of public sector revenue accumulation.

## **8 New collegiality?**

We already know that the main parliamentary parties were not satisfied with the lengthy style of earlier government programs. We also know that Sipilä’s new coalition modelled its program after the government reform proposals as a way to remedy some of the long-recognized governance problems. The intention was to enhance the governing capacity of the coalition through a more concise and better coordinated program. In spite of these objectives, parties have an enduring incentive to get as much of their electoral pledges into government decision making as possible (Costello & Thomson 2008) and at the same time

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<sup>11</sup> Discussion papers, like Kotamäki’s report, do not represent official views of the MOF.

use the program as a way to “police” the political bargain reached between coalition partners (Martin & Vanberg 2004; Thies 2001).

Thus, there are both centrifugal and centripetal forces also in Sipilä’s coalition. The government program reform includes features that, if fully implemented, may act against ministerial autonomy which has been a long tradition in the Finnish government (Mykkänen 2015; Nousiainen 2000). Due to delegation of decision-making powers, the hierarchy in Finnish governments has been moderate despite the increase of the status of the prime minister after the constitutional reform in 2000 (Paloheimo 2002). The new style of forming and implementing government program potentially increase hierarchy within the coalition unlike in case the program was long and detailed (Indridason & Kristinsson 2013, 827). It is therefore useful to briefly discuss the issue in relation to the functioning of the governing apparatus.

A brief glimpse at the Center Party electoral platform is enough for concluding that the key policy areas outlined by the party before the election are almost identical with those that form the substantial core of Sipilä’s government program: equal access to health services, creativity and new learning environments, deregulation and digitalization, bioeconomy and sustainability, boosting of enterprising to increase employment, and halting the accumulation of public sector debt (Center Party 2015; PMO 2015a). Four out of these five areas are also in the National Coalitions’ electoral platform that was published eight days following Center Party (National Coalition 2015). The Finns Party had three of these themes on their list of strategic policy areas (Finns Party 2015). Growth, deregulation and cleantech were also on the social democratic agenda, although the party’s electoral platform was published much earlier and in a longer format, covering several other themes as well, such as traditional questions of socioeconomic equality and wage earners’ interests. As already said, social democrats finally gave in and followed the general sentiment and published their own “strategic government program” at the end of March (Social

Democratic Party 2015). In the social democratic version, the five key policy areas partly overlapped with Center Party's preferences (e.g., competitiveness of export industry, public sector debt, digitalization, knowledge-based economy, sustainable growth, social and health services reform). Emphasis on equality in income distribution and gender and the role of public investments set social democrats apart from other main contenders.

When the Center Party took the lead in government talks, it was relatively easy to sell the program structure to the Finns Party and National Coalition. These parties had designed their electoral manifestos according to the strategic model of five major themes with considerable overlap in general objectives. The Center Party not only transformed its own electoral platform into the government program; the party also took over the leadership positions of nearly all new ministerial working groups. The party controls three out of six non-mandatory ministerial working groups, two group leaderships are divided between the Center Party and other coalition partners. Only one working group is not led or co-led by a Center Party minister (domestic security, National Coalition). Besides, the four mandatory ministerial committees are led by the prime minister.

This easily gives the impression that the internal structure of the cabinet is dominated by the prime minister and his party. There are some elements, however, that render this scenario more complicated. First, government's strategy meetings that started at the end June and continued in two weeks' intervals in August seem to have had an air of collegiality just as it was meant in the original OHRA plan (interview data). These meetings are led by the prime minister and his state secretary and provided with follow-up data by the PM's Office. During the late summer through December the strategy meetings functioned mainly as a venue for coordinating key policy processes. Very little brainstorming has been observed. Substantially the work that is based on the government action plan has been delegated to ministerial working groups. In the government action plan there are 29 key policy areas which have been divided between ten ministers (including the prime minister).

During strategy meetings it has been customary so far that each minister gives a briefing about developments in the projects that are on his or her responsibility, while the PM's Office keeps systematic records on the phase of implementation. This delegation creates differences in specialist knowledge in the cabinet but the strategy meeting can be seen as a way to prevent this from relapsing back into the ministerial type of government. Besides, the ministerial working groups bring together affairs from two or three ministries, providing that the appropriate ministers or their aids have time to attend the working groups' meetings. The centralizing tendencies were also countered by the smaller size of the coalition and the tradition of Finnish coalition government to subject the most important decisions to a meeting of coalition party leaders. In sum, there are signs that at least structurally the centralizing tendency is present, but in accordance with the whole-of-government thinking it is not only the prime minister whose influence is increasing.

Second, the status of the MOF was rather vague after the government agreement. Unlike the reform plans suggested, the MOF remained in the background and did not engage in active preparation of the action plan during summer. It waited patiently while the ministerial working groups and line ministries prepared the policy packages and then only added appropriate allocations into the otherwise ready budget proposal in September. As already pointed out, the MOF had good reasons for its passivity which go back to its hegemonic position within the government apparatus. As a consequence, it seems that the cabinet's collegial working habit was not hindered by the MOF.

Third, one of the key ideas in the OHRA reform was to re-establish the dividing line between politicians and civil servants more clearly. It seems that the civil service leadership in the ministries are satisfied with the decision to reduce the number of politically appointed state secretaries, whose role in Sipilä's government is now more to assist ministerial working groups and monitor government's strategy than to act as semi-independent junior ministers. The new role combines well with the enhanced collegiality of

the cabinet. However, the truth may well be that the lack of hands has already resulted in occasions where politicians have not been able to check administrations from pursuing their own agendas (interview data). This, of course, is a typical governmental problem that is partly independent of government program and often directly related to political experience of the cabinet. The government program's strategic nature obviously leaves many policy issues outside the agreement between coalition parties and thus puts more emphasis on the ministers' ability to identify those issues that are critical for others. The plan to reduce the number of district courts is a case in point. The old plan was stopped by the Center Party in the last minute after the unsuspecting Finns Party minister had introduced the bill for the government (interview data). The infamous plan to allow indirect securities holding is another instance where an old plan resurrects with the help of a somewhat gullible minister to the detriment of some coalition partners.

## **9 Strategy by chance? Sipilä's legacy**

It is much too early to say anything conclusive about the strategic government program and its implementation. But it may be asked, for at least speculative purposes, how permanent is the change and what really contributed to its triumph? Long tradition, good planning and early involvement of political parties were named as candidates for explanation. These are good candidates. But if we think that they are only partial explanations we start having qualms about the lasting effects. It is possible that the smooth transition from the previous governments' tedious programs into the new style was due to the small number of coalition partners, their ideological proximity and ability to compromise. Juha Sipilä's personal interest in strategic management may be a highly relevant factor. Add the economic crisis and the MOF's success in holding onto its information monopoly and you will get an

alternative explanation that points towards potential slippage from strategic steering in 2019: another government coalition, another style of agreement.

Now, this may not be the future. For one thing, governments will be surrounded by intelligent and knowledgeable top civil servants who think dearly of strategic management. The organization of Prime Minister's Office is structured to support strategy implementation. This means that certain practices will institutionalize so as to make deviation more difficult for subsequent governments. It is also known that Juha Sipilä and the Center Party's top cadres entertained the idea of strategic government long before the election campaign of 2015. As long as Sipilä remains the party leader strategic thinking will stick to the party. Furthermore, it is very likely that one or two of the present coalition partners will sit in the next government as well and carry on the new style or urge the new partners to adapt.

This been said, the first six months of the Sipilä's government have not passed without significant difficulties that are not entirely derived from political resistance to budget cuts. The political elite generally thinks favorably of strategic thinking also in the political context. Yet, strategy in Sipilä's government has too often been a synonym for haste and its corollary, poor preparation of decisions. This can be easily fixed. However, political competition in a coalition government is something that cannot be eliminated. It will always override strategy in importance no matter how much of the notorious "trust" prevails between the coalition partners. In combination with lack of political experience, deficiencies in policy knowledge and legal expertise political competition and ministers' personal ambition will be poisonous for cohesion. Strategic government program will always leave out issues that may turn out more important than what they were at the time of government talks or completely new issues may arise that suit the ambition of an individual minister. As one of the interviewees put it, the more novelties there are in the government's program the more risky it is to renew also the method of drafting the

program. Doing both at the same time would have required more time spent in drafting the program, covering a somewhat larger policy terrain and adding more political experience in the cabinet's composition.

Finally, strategic management as a model for political leaders contains a paradox. Although it can be argued with good reasons that strategic management provides tools for strengthening the position of politicians at the head of government, it may result in a stubborn, even aggressive, style of doing politics associated with haste, limited contacts with outside groups, overconfidence, conformity, and biased interpretation of social and economic dynamics. Strategic orientation to politics may even result in purposive selection of policy environment to suit policies. This danger is all the more serious as government communication is increasingly molded to support government's strategy for the purposes of impression management and professional communication has partly replaced the old civil service ethos of providing information (PMO 2010; PMO 2013). This fosters insular decision-making. Ministers do not work in a complete vacuum, though, and the most serious dangers of strategic pathologies can be avoided. But, still, when conditions are right, strategy as the primary mode of ruling easily overrides good sense, blinds judgment, and creates hubris. We cannot hold strategic management solely responsible for these dangers. For these to emerge we need politicians who are either too unsuspecting to resist or bold enough to seize the opportunity.

Sipilä's coalition took the strategic government program as a means to implement change in the Finnish society. In the government program the parties defined the key areas that they thought were most in need of change. The emphasis on change – which is somewhat fundamental in strategic management – may be dysfunctional for the government if the coalition leaders are unable to modify their objectives when faced with new relevant evidence or severe and costly resistance. The fact that policy objectives were defined in the government program and its implementation plan as concretely as the

authors were capable introduces a similar problem. The unintended consequence of clarity is as paradoxical as is hubris created by strategic leadership: clarity introduces rigidity because clear objectives constrain politics more than muddled or vague objectives. This may lead back into what earlier government programs were criticized, namely the straight-jacket-like documents that freeze the coalition before challenges by changing policy environment or unsustainable policy premises.

To conclude, although the difficulties of Sipilä's government during the first six months of its rule cannot be traced back to the novel form of the government program, there are some indications that the form may be a partial cause of the problems encountered. Like already said, a lot depends on coalition leaders and their preferences. For both of these reasons we may see a different take on strategic politics in the next government program. A regular government term of four years is such a short time and the organizational infrastructure for supporting strategic leadership is so strong that it is very likely that we will not see a fundamental change in the next government program or reverting back to the old style.

## Abbreviations

BO – Budget Office (Ministry of Finance)

MOF – Ministry of Finance

PMO – Prime Minister’s Office

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## **Interviews**

Interviews (20) were conducted at private offices in interviewees' workplaces except for two telephone interviews.

Katju Holkeri, Senior Financial Adviser, MOF, 13.5.15

Olli-Pekka Heinonen, State Secretary, PMs Office/MOF, 20.4.15

Timo Kalli, MP, Center Party, 22.10.15

Sirpa Kekkonen (4), Head of Policy Analysis Unit, PMs Office, 6.5.15, 15.6.15, 25.8.15, 23.9.15

Timo Laaninen, Party Secretary, Center Party, 23.4.15

Juha Majanen (2), Budget Counsellor, MOF, 7.8.15, 21.9.15

Riina Nevamäki, Special Advisor to Prime Minister, PMs Office, 7.8.15

Reijo Paananen (2), Party Secretary, Social Democratic Party, 30.3.15, 11.5.15 (telephone)

Mauri Pekkarinen (2), MP, Center Party, 10.11.15, 17.11.15

Paula Risikko, MP, National Coalition Party, 5.11.15

Esa Suominen (2), State Secretary, MOF, 13.4.15, 21.4.15

Seija Turtiainen (2), Legal Aid, Center Party Parliamentary Party Group, 14.10.15, 26.11.15 (telephone)