The "Roadmap to Finland’s Success" is EVA’s contribution to the on-going discussion about the impact of globalisation on Finland. The report is based on interviews of almost 60 Finnish top executives. According to the writer Tapani Ruokanen, editor in chief of the leading Finnish weekly magazine Suomen Kuvalehti, bold solutions are needed at all levels. The message is clear: Finnish society must finally create an attractive environment for working, entrepreneurship and ownership – otherwise Finland’s long term success cannot be guaranteed.

In the summer of 2003, EVA decided to launch a major project aiming to map out the elements and prerequisites of Finland’s future success. The objective was to identify the change factors Finland is facing as well as give policy recommendations on how the society’s different sectors should react and adjust to these developments.

The interviewed top executives had a surprisingly uniform interpretation on Finland’s current situation. Two thirds were of the opinion that Finland no longer is a global top performer. The decline of competitiveness was attributed to a botched tax reform, a very inefficient local government (that accounts for two thirds of the size of Finland’s public sector), resistance to change, rigid labour markets and lack of leadership. Globalisation has struck harder than anticipated. On the other hand, the increasing number of ageing population leads to numerous challenges and unemployment remains at an intolerable level. In spite of all this, nothing happens. Facts are not admitted. Actions are postponed.

A possible future scenario is: Finnish enterprises succeeding - but Finland lagging behind. This threat can only be avoided by making Finland a more attractive environment for work, for company operations and for ownership. According to the EVA Report, the maximum income tax rate should not exceed 50 % and taxation of property should be reduced considerably. Consumer purchasing power has to be increased by tax relieves: all housework services should be tax-deductible for private citizens.

The next step in restructuring the Finnish welfare society is the modernisation of the municipal sector. Local services need to be developed with the help of the private sector. Retirement of baby boomers provides an opportunity to build a lighter, better functioning and more flexible public sector.
Universities must be given real academic and economical autonomy. The primary academic degree must remain free of charge, after which students should be participate in the schooling expenses. Rapid graduation should be rewarded generously.

We must also try to alter the Finnish attitude atmosphere: the report suggests creating a Feenix-award handed to an honest entrepreneur that has best recovered from bankruptcy. A significant obstacle to entrepreneurship is the threat of losing one's home in case of financial challenges. This barrier could be eliminated by protecting at least part of the value of the entrepreneur’s home from the debtor.

The policy recommendations presented in the report create a common vision for Finland’s future. Finland should aim at becoming a Global Top Performer. For individuals this signifies an encouraging Society of Opportunities, for enterprises it represents a competitive Forerunner Society.

Leadership has an important role in implementing this vision. In politics it is necessary to return to authentic democracy. This means that leaders, elected by citizens, are courageous enough to make decisions, justify them and carry the responsibility for them. At the private sector, the challenge of leadership is to combine good life and working life.

Throughout history Finns have sobered up in times of crisis. This EVA Report argues that we are not to continue waiting for an upcoming crisis – but we should take action immediately. Change is not an enemy, it is a valuable opportunity for renewal and development.

The project was steered by a high-level Organising Committee, chaired by Antti Herlin (Kone Corporation). The committee members included Matti Alahuhta (Nokia), Georg Ehrnrooth (EVA), Olli Ernvall (Technical Research Centre of Finland VTT), Kari Jordan (Nordea), Johannes Koroma (Confederation of Finnish Industry and Employers TT), Erkki KM Leppävuori (Technical Research Centre of Finland VTT), Risto Perttunen (McKinsey), Veli-Pekka Saarnivaara (National Technology Agency of Finland Tekes), Aino Sallinen (Jyväskylä University) and Pentti Vartia (EVA/ETLA).

The challenging topic of Finland’s success has also been embraced by several other actors (projects by e.g. the Prime Minister’s Office and the Parliament’s Committee for the Future). EVA brings to this discussion the perspective of the business world: the report aims to look beyond the consensus atmosphere and enrich the debate on the common goal.