



SITRA

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PREFACE

The Finnish National Fund for Research and Development (SITRA) is a creative and flexible spearhead organization charged with ensuring a better quality of life for ordinary Finnish people in the future. SITRA has set itself the goal of placing Finland among the three most successful nations in the world by the year 2010. The resulting strategy emphasizes the following actions and areas of focus:

- We must deepen and clarify our knowledge and understanding of globalization and other national and international trends, plus their effects on Finland. This will help decision-makers find a distinctively Finnish approach. SITRA seeks to help decision-makers understand and predict change with greater accuracy.
- SITRA will formulate, develop and implement measures to allow the balanced development of a stronger Finnish society based on knowledge and expertise.
- SITRA will formulate, develop and test measures to alleviate or prevent the negative effects of a knowledge-based society, such as regional or individual exclusion.
- Outside experts will assess SITRA's operations, operating procedures and orientation, and the effectiveness of the organization as a whole.

SITRA pursues its mission through research, providing funding for innovations, business finance and training. Its activities bring together the efforts of different sectors in the attainment of new goals.

The Finland 2015 programme is one of the means employed by SITRA in pursuit of its basic objectives. The programme provides an introduction for participating Finnish decision-makers to the most important national and international scenarios on the future. The participants then draw up proposals for meeting these challenges and discuss strategic approaches and practical measures to this end.

The objectives, content and structure of the Finland 2015 programme are presented at the end of the present report.

This report is the result of the second course in the programme, one of a series of six courses in all. The report on the first course was published in June 2000. The programme will continue through until autumn 2003. The idea is for each course to publish a report and for the reports to collectively comprise an overall assessment of Finland's future.

SITRA would like to thank all those who have contributed to the Finland 2015 programme so far and to participants on the second course, the partners involved in planning and implementing the course, and the experts from Finland and abroad who contributed to its sessions.

We should also like to express our cordial appreciation to Minister Jaakko Iloniemi for chairing the course. The SITRA training team was in charge of practical arrangements for the course.

This final report is based on work done on the course and discussions between participants, and was put together by Tuovi Allén of SITRA and the writer and editor Matti Karhu.

SITRA hopes this report will generate broad public debate and in this way contribute to achieving the targets we have set for meeting the challenges of the 21st century.

Helsinki, January 2001

Finnish National Fund for Research and Development (SITRA)

FINNISH SUCCESS FACTORS AND CHALLENGES FOR THE FUTURE

What will the world be like in the year 2015, and what will Finland's operating environment be like? What sort of place will Europe be, and what will be Finland's position in it? Will the Europe in which we live be a loose union of almost 30 member states, or will it be a tighter federation? Will Finland's operating environment be the global community rather than the European Union?

The present report elaborates a vision of Finland in the year 2015, a vision put together by a group of over twenty participating experts. This vision is in many respects still rather imprecise and many issues have remained unresolved. The participants considered many of the questions left open in the previous course report, while also opening up new paths of exploration. The second course has concentrated on the economy, education and how to build a sense of common purpose in society.

The year 2015 is now less than fifteen years away. If we look back fifteen years, we can see that this is really a very short period of time; 2015 is actually just around the corner. Every day we are taking decisions which will impact on our lives fifteen years from now, and beyond.

So, what sort of Finland do we seek? In what sort of Europe do we want to live? What kind of world is Finland helping to build?

Our vision of Finland in 2015

Society

Finland will be a just, pluralist society providing incentive and opportunity and taking good care of its citizens. The Finnish economy will be stable, its system of government fair and flexible.

People

In 2015, Finland will be home to a free, happy, skilful and responsible people. The country will use the efforts of all its citizens to create prosperity for all.

Strengths

Finland's strengths will lie in the fields of education, research and development. Finland will be an active shaper of the international scene and play a leading role in many sectors. The country will have a wealth-generating and competitive economy.

Environment

Finland will be a safe place to live, with a clean natural environment, a strong and distinctive national culture, and a knowledgeable and cultured citizenry.

Life in the new economy

The ongoing changes in the world economy have led to alterations in many of the structures of society. A new type of economic growth has emerged alongside the old economy. We are now living in the interplay between the old and the new economies. This demands greater adaptability and readiness for change. Finland has been one of the first countries in the world to embrace the new economy.

But what is the new economy? In terms of its mechanisms it works the same way as the old economy. But there is also much which is totally new. The old economy was based on supplying goods, while the most important product of the new economy is information. What mechanics was to the old economy, informatics is to the new.

The great challenge for the future is how to get the old economy to apply the innovations of the new. Skills requirements are changing, but most people have accumulated their experience and skills in the old economy. We must take care to ensure that all our citizens and their skills have a role to play in the new economy.

The globalization of the economy will benefit society as a whole, but the gains and losses may impact unevenly on different sectors of the population. We have still to discover how to alleviate the tension between globalization and the growing level of social risk. The rapid pace of economic development and the greater openness of the economy require a tightening of the mesh of national social security systems in order to prevent public opinion turning towards protectionism and isolationism.

Dynamics of the new economy

The central feature of the new economy is the process of globalization — the spread of the market economy and free trade, and the stiffening of competition. The new economy is based on extensive use of information technology and related skills, allowing for more rapid growth in productivity, reductions in output costs and the development of real-time markets.

The businesses in the new economy are networks themselves and are also networked with each other. The new economy opens up the prospect of more rapid economic growth, increased prosperity and a higher standard of living.

The new economy operates according to the same laws of market economics as the old economy. But while the old economy invests in the production of goods, the new economy invests in increasing the productivity of information.

Information is the most important production factor in the new economy.

Technological development, information and knowledge combine to generate prosperity, because they enhance productivity and speed up growth. Increases in productivity are no longer based on the production of information technology, but on its use.

The new economy is spreading through all business sectors and all areas of society. Increasing competition is changing the structures of society, business sectors and individual businesses. The old hierarchical economy is being transformed into a dynamic real-time network based on knowledge and expertise.

Globalization and the expanding service sector place a premium on communications. A range of social and communicative skills and familiarity with different cultures and what they mean are becoming ever more important areas of competence. This is creating new challenges for business operations and management.

The new economy demands world-class knowledge

A good education system is like a good sports club. It provides a role for everyone and is characterized by a shared sense of pride — everyone pulls in the same direction. A good club is kept in sound financial health and takes the views of its members seriously. The team is constantly striving for peak performances under the leadership of top-class coaches. The club's goal is to compete in the world league, and its squad is therefore strengthened by the inclusion of international players.

The dynamics of the new economy require refinement of the education system to world-class level. Everybody must be guaranteed quality education to fit their own particular talents through tailored programmes in different subjects according to the interests of the students themselves. Such programmes should not be restricted only to the super-talented; it is equally important to provide opportunities for those with learning difficulties or facing the threat of social exclusion. The common factor is the sense of playing for the same team.

To pursue further the metaphor of the sports club, progress in different subjects and at different educational levels should be through play and hard work, putting out a balanced team, finding one's own strongest event and being prepared for lifelong training to compete at top level regionally, nationally and internationally. The supporters, viewers, players, parents and coaches will then be proud of both the successes of their team and the overall performance of the club as a whole.

The funding of basic education for all must continue to be the responsibility of the public authorities. Higher education and research units should, in contrast, be financially independent. The funding of training, research and product development will require the development of cooperation with the business community. New models will need to be developed for funding studies. Financial aid for students

should be used to reward students who progress with speed and quality in their studies.

Lifelong learning should be made an integral part of working life. We must take steps to make the pursuit of studies in addition to work, and alternation between work and study, both possible and rewarding. Success demands playing as a team both on and off the field — we must take full advantage of the experience of the more mature members of society.

The status, working conditions and remuneration of teachers at all levels of education must be made competitive with those of other careers. Teachers must be given the opportunity to acquire new skills and develop their careers by moving between the public and private sectors and internationally.

For Finland to succeed in global competition, our specialists must be equipped to compete in the world labour market irrespective of whether their field is public administration, financial management or academic research. This means we need to attract both foreign teachers and foreign students to boost the international flavour of Finnish education. Expansion and development of international student exchange is essential if Finland is to produce top-rank specialists.

A good education system supports its national culture. A good general knowledge, respect for human rights, critical pursuit of truth, creativity and unquenchable curiosity are the cornerstones and goals of education. Meeting the challenges of the new economy will require extensive reform of our education system:

- The school starting age should be lowered or the content of pre-school teaching and teaching in the comprehensive schools developed to allow the first year of primary school to get off to a faster start.
- Secondary level education will have to cooperate more with higher education and the business community.
- The social division of labour between the polytechnics and the universities must be more clearly stated and cooperation with the business world increased.
- Degree structures must be made more flexible, studies speeded up, and steps taken to make it easier to pursue studies in addition to work and to alternate between studies and work.

- The system of financial aid for students must be developed so as to encourage rapid progress in studies and lifelong learning.
- The universities should be made into financially independent units.
- Use of English as a language of instruction should be increased at all levels of education.
- The education system must provide students with entrepreneurial and business skills and the management skills which will be needed in the new network economy.
- International student exchange should be stepped up in order to produce top-rank specialists and also to attract such people into the country.
- The problem of undereducation must be recognized and reserves of talent exploited, with girls in particular being encouraged to study mathematics.
- We must develop web schools and e-learning.

The new economy and globalization mean stiffer competition and a new operating environment for business. An effective response by business and industry to these challenges will require

- the use of venture capital to create favourable conditions for the development of new innovations;
- dissemination of the skills and methods of the new economy into old economic sectors and businesses;
- action to make economic success and entrepreneurship an attractive alternative;
- an effective response to the demand for labour by increasing the average number of years people spend at work, reforming the education system and raising the average age of retirement;
- the development of network management skills based on efficiency, a sense of common purpose and social skills;
- the exploitation of new technology in line with the principles of sustainable development.

The new economy and globalization will also pose challenges for the public sector. Meeting these will require us to

- maintain a high-quality public sector as a competitive advantage for Finnish business and a way of attracting labour into the country;

- provide public services as economically and efficiently as possible and in such a way as to allow effective public involvement in decision-making on services and the monitoring of quality;
- develop taxation and social security so as to provide greater incentive to work;
- secure a workable framework for the welfare society so as to guarantee provision of quality basic services for all;
- develop the public sector as a competitive career alternative for top-rank specialists;
- reorganize service provision by moving some services onto the Internet;
- guarantee the supply of energy and labour, the business infrastructure and environmental purity and health.

Technology and innovations as the motors of the new economy

The Finnish innovation environment is one of the best in Europe, and indeed in the world as a whole. Future investment in research and product development must be maintained at at least current levels. Finland must also support and influence European Union efforts at developing the innovation environment in Europe. We will also need to take full advantage of cooperation with other countries in the areas of technology and innovation. Exclusive concentration on European cooperation could lead to Finland falling behind in global competition.

We must secure knowledge and skills by increasing the added value generated by the new economy through

- ensuring optimal use of resources and networking centres of excellence;
- setting up virtual units and exploiting electronic networks both nationally and internationally;
- coordinating national and European research programmes and intensifying cooperation between scientific and technological organizations;
- promoting the international mobility and career development of researchers and specialists, improving the opportunities for women to pursue a research career and encouraging young people to take up a career in science;
- transforming the innovations and products developed with the support of public venture capital into growth-oriented enterprises as rapidly as possible.

The knowledge society will be multicultural

Globalization will bring increased personal mobility and will also lead to societies becoming more pluralist in both form and culture. If Finland in 2015 is to be a leading knowledge society and a trailblazer for the new economy, we will need to recruit more skilled people from abroad. This will require the acceptance of different cultures in all areas of society.

Finland's recent history as a multicultural society is very short. In the past, our ancestors used to look outwards towards more successful and wealthier societies. Now, people elsewhere look to Finland in this way. As a multicultural knowledge society, Finland will have to be open in attitude, tolerant and willing to be involved in growing interaction with other societies. At the same time, however, we must also strengthen our own sense of national identity and the distinctiveness of our culture.

The greying of the old economy

The Finnish birth rate has fallen to an historically low level. The number of children born in Finland in 2000 was as few as in the aftermath of the great famine in the 1860s. If both life expectancy and the birth rate develop as forecast, Finland in 2015 will be a society of old-age pensioners.

Without immigrants — new Finns — to supplement the population, Finland's demographic trend will over the next few years already begin to undermine our economic infrastructure and competitiveness. The main problem will not be the growth in pensions and other public expenditure, but the shortage of labour. Finland needs new skilled workers for all sectors of the economy — for the new economy, for the service sector and for traditional industrial production. Admittedly, it will be possible to reduce some of the demand for labour through the improved productivity brought by the new economy.

If immigrants are to be successfully integrated into Finnish society and take their place as new Finns, they will require appropriate education and training. The quicker

they can learn Finnish, the quicker they will feel at home in Finnish society. Our objective must be the development of robust and viable multicultural communities.

Multiculturalism should be seen as one of the factors for success in the knowledge society. Pluralism of culture and values can contribute to competitiveness. Difference and variety will be a source of strength in the new economy and the knowledge society. In Finland, our strong roots in our own culture and healthy national identity will leave us well-equipped for operating in a multicultural community.

Towards a new policy on immigration

Finland requires a proactive immigration policy in which refugee policy and migration policy are clearly distinguished as their own distinct areas. The new immigration policy should be based on a healthy conception of our national self-interest.

The need for such an immigration policy is dictated by demographic trends and the shortage of labour which threatens our economy. We need to reinforce our skills base by recruiting foreign students and teachers for our universities. Besides the exchanges already going on with other Member States of the European Union, this will also require a considerable increase in student and researcher exchange with other parts of the world.

Immigration policy should be open and flexible — like a saloon door which opens easily in both directions. The basic idea should be the understanding that some immigrants will come to stay while some will return home or go on to third countries.

Finnish businesses and educational institutions can attract skilled foreign workers in a number of ways: by presenting a positive image, providing quality services and maintaining a high level of competence and expertise. Even with highly skilled specialists, salary levels are not the sole incentive for immigration. The knowledge society has other undoubted attractions: a first-class education system, quality welfare services, a safe living environment and an unpolluted natural environment.

To achieve a multicultural society we will have to publicize good examples of how immigrants have gradually become new Finns irrespective of their ethnic background or mother tongue. There are plenty of success stories ranging from small municipalities through to major companies, top-class sport, culture, information technology and the research community. Such good examples and other examples of the successful integration of immigrants into Finnish society will generate a positive attitude towards multiculturalism. The media will play a pivotal role in presenting such examples to the general public.

Multiculturalism is a two-way street. Finns will also need to seek the benefits of multiculturalism by going abroad to work or study. The resulting international contacts and ‘cultural immersion’ will help Finns understand what it takes to succeed in a foreign country and culture and what it feels like to return home again. Contributing to national and international decision-making requires new forms of knowledge and skills. International student exchange should therefore be expanded in order to encourage young people to study abroad.

Finland in 2015 — a multicultural knowledge society where

- a sense of common cause is generated by shared values irrespective of ethnic origin or language;
- clashes of culture are treated as a learning experience and differences in cultural roots are recognized as a source of strength;
- racism is recognized and actively resisted;
- everyone takes care of everyone else and different cultures are given room to breathe;
- economic values and social responsibility go hand in hand, with the overall objective being a good life for all;
- immigrants are part of the local community and feel themselves an integral part of Finnish society, both as funders and users of the welfare system and as producers of wealth and prosperity.

Involvement, personal responsibility and collective responsibility

Material and spiritual wellbeing are based on all members of society having the opportunity to participate in decision-making. Everyone must also have the opportunity to take part in working life. Social justice is real when there is a balance between the responsibility of the individual and the responsibility of society. The Finland of the future will be a participatory society which needs all its members. Our society needs a sense of fair play and mutual trust.

A good society is like a train in which the engine keeps the whole thing moving and provides the source of energy for the carriages. But it is also important to ensure that even the last carriage does not get left behind. The engine of a strong economy will generate the power to allow us to take care of the weaker members of society and those whose strength is failing.

If we are not all involved, the fundamental objectives of society will be endangered. Security is based on everyone sharing a sense of involvement. Being involved is the best safeguard against exclusion. A harmonious society is better for its members than one racked by serious conflict.

To perform well, a society needs the involvement of all its members, both individual and corporate. A small and ageing society requires a particularly high degree of public participation. Efficient use of human resources requires increased participation and involvement by all members of society. We cannot afford to rely solely on the efforts of a few select individuals.

As well as a healthy economy and good public administration, a successful and tolerant society also requires a moral, cultural and intellectual foundation.

Each citizen is responsible to himself, his fellow citizens and the community as a whole. The community is in turn responsible for its members. Each person must strive according to their own abilities, while the community must provide the necessary infrastructure without undermining the independent responsibility of the individual.

The family can take many different forms. The relationship between parent and child has changed, as indeed has the entire concept of the family. The family has

traditionally provided the bedrock of the Finnish way of life. In addition to the basic family unit, the concept of the family may nowadays also extend to include other close relatives and friends. We must seek the wellbeing of parents and children, families and friends. Society should provide support and encouragement for people to take responsibility for their own lives. A strong circle of friends and healthy family ties build a sense of security and social belonging.

It is vital to strike a balance between work and family life. A competitive society striving for efficiency must also set aside more time and provide more opportunities than at present for a satisfying family life.

Participation and working life

The ongoing changes in the economy and working life will pose major challenges for business management. The successful business of the future will derive its strength from new innovations and intellectual resources of various type. This will place a premium on the communicative and interactive skills of workplace management. The challenge for managers will be to build a sense of involvement in the workplace and develop network management in both the public and private sectors.

Full use must be made of human resources and special talents. The number of people of working age is falling. The resulting pressures on the labour market can be alleviated by cutting unemployment, raising the retirement age and lowering the age at which children start school. Several years should be cut off the age at which students complete their degrees and other qualifications, for instance by encouraging young people to go directly from school into vocational studies or higher education without taking any years out.

The age of retirement should be raised and ageing workers guaranteed a gentle transition to retirement, a gradual winding down at the end of their active working life. The above-mentioned factors would help to increase public involvement in various areas of society and reduce the threat of exclusion.

Working hours and leisure should be in balance throughout the individual's working life. This could help reduce interest in early retirement, while also providing a firmer foundation for the wellbeing of growing families.

Common issues, common action

Involvement in society means more than just going out to work. Neither is traditional representative democracy necessarily enough to ensure equality of citizenship; we also need a greater degree of participatory democracy.

The drop in voter turnout at elections is one of the problems facing contemporary democracy. However, participating in society means more than just voting in elections. The active citizen can influence his own life and the surrounding community in other ways too. In a globalizing world, the opportunities to exert influence must also be extended into the international arena.

Involvement should be understood as working together in pursuit of common interests. Members of the public will be keen to take part in the management of public affairs if they notice that this can lead to real change. The media and other forms of mass communication must be put to more effective use in developing this sort of interaction. The media should also seek to analyse changes in the global operating environment and the local community more quickly and effectively.

Data networks and the new methods of electronic communication cannot solve the problems of participation on their own. Personal participation in society will continue to be important in the future as well. We will also need to develop new forms of involvement and participation. Information technology provides an excellent opportunity for this. The more equitable dissemination of information places people on a more equal footing than in the past.

Finnish society offers its citizens excellent opportunities for participating in decision-making on public issues. The key question at the moment is how to ensure similar opportunities for participation in decision-making within the European Union at a time when an increasing amount of national legislation is based on decisions and agreements reached at Union level.

Finland also needs to be involved in decision-making at global level, as this is increasingly dictating the development of the operating environment for business and civil society. Participation in international decision-making requires a wide range of knowledge and skills, and these can be maintained through an internationally competitive, high-quality system of education.

SUGGESTIONS FOR FURTHER WORK

The opinions and suggestions presented in this report are to be passed on for further work to the relevant authorities or to workshops put together especially for this purpose. SITRA is ready to organize workshops to discuss issues for which there is no clearly designated responsible authority, or where responsibility is divided between more than one authority.

The purpose of these workshops will be to consider alternative solutions to the problems raised and the challenges facing the country in the future. SITRA will be inviting key decision-makers and experts on each issue to take part in the workshops.

The participants on the second course have suggested that SITRA organize future workshops on, for example, the following themes:

- the challenges for management in the new economy and in networks;
- reforming the education system, improving the competitiveness of higher education, and developing the teaching profession;
- raising the level of knowledge and skills by developing and expanding international student exchange;
- developing the interplay between work and family life;
- the role of the media and other forms of mass communication in interaction between decision-makers and the general public.

The third course in the Finland 2015 programme will begin in March 2001. The ideas and development themes presented in this final report on the second course will also serve as a starting point and a source of continuity for the work of the third course. The themes will also be discussed in separately arranged workshops.

The need to raise levels of expertise and the associated challenges facing the education system, the rapid growth of the new economy, promoting involvement and multiculturalism — these were the main issues discussed on the second course, having originally emerged out of the work on the first course. The third course could continue consideration of these same themes, although participants could also decide to set off along entirely new paths of exploration.

EXPERTS AND THEMES

During the second course of the Finland 2015 programme, English was the primary working language for the seminars held outside Finland, with Russian also being used to some extent during the seminars in Moscow. In sessions where all the participants were Finnish, the working language was Finnish. This was also the case in the seminars actually held in Finland, which concentrated primarily on group work.

All the experts who contributed to the course and the topics of their papers are listed below by seminar in chronological order.

23.9.2000 Helsinki Airport Congress Center

Finland 2015 – opening speech on the programme and the lessons drawn from the first report

Osmo Soininvaara, Minister of Health and Social Services, Ministry of Social Affairs and Health

The political system of the USA

Minister Jaakko Iloniemi

USA and Europe – different starting points, different societies

Bengt Holmström, Professor at the Massachusetts Institute of Technology (MIT), Cambridge, Mass.

24-27.9.2000 Washington DC

The USA in 2015 – student panel

Introduced by James Bailey, Professor at George Washington University, School of Business and Public Management, Washington DC

The future of the world economy

Rudiger Dornbusch, Professor at the Massachusetts Institute of Technology (MIT), Cambridge, Mass.

Asian crisis and recovery – consequences for the world economy

Timothy Lane, Division Chief, International Monetary Fund, Washington DC

Finland, EU and USA

Jaakko Laajava, Finnish Ambassador in Washington

Education issues

Dominic Brewer, Director, RAND Education, San Francisco

The challenges of the information society

Manuel Castells, Professor at the University of Berkeley, San Francisco

International trade issues facing the 21st century

Michael B. Smith, Ambassador, Global USA Incorporated, Washington DC

European security issues in the 21st century

Ivo H. Daalder, Senior Fellow of the Brookings Institute, Washington DC

General Charles G. Boyd

An insider's view on the US Congress

William Frenzel, Guest Scholar of the Brookings Institute, Washington DC

Historical perspectives on the American mind set and analysis of the forthcoming presidential election

Haynes Johnson, political commentator and author, Washington DC

The art of lobbying

William Plummer, Vice President, Nokia Inc., Washington DC

The threats of the information society and future trends in e-commerce

Michael R. Nelson, Director, IBM Internet Technology and Strategy, Washington DC

The social and political challenges facing the USA over the next fifteen years

Joyce A. Ladner, Senior Fellow of the Brookings Institute, Washington DC

Thomas E. Mann, Senior Fellow of the Brookings Institute, Washington DC

22.10.2000 Helsinki Airport Congress Center

The Russian economy

Pekka Sutela, Head of the Institute for Economies in Transition, Bank of Finland

The political map of Russia

Christer Pursiainen, Acting Director of the Alexander Institute in Helsinki

The Northern Dimension

Jukka Valtasaari, Permanent Secretary, Ministry for Foreign Affairs

23-24.10.2000 Moscow

Is Russia recovering?

Markus Lyra, Finnish Ambassador in Moscow

Future challenges for foreign policy and security policy in Russia

Sergey Rogov, Director, Institute of USA and Canada Studies, Russian Academy of Sciences, Moscow

Economic crime in Russia

Dr Alena Ledeneva, Lecturer in Russian Politics and Society, School of Slavonic and East European Studies, University College London

Russia's economic strategy

Introduced by Dimitri Mezentsev, Head of Centre for Strategic Studies, Moscow

Future perspectives of financial markets in Russia

Ilkka Salonen, President, International Moscow Bank, Moscow

Meeting with the major political parties in the Duma

24-26.10.2000 Berlin

Future trends and challenges for Europe

Carl Bildt, Member of Parliament, Sweden

EU enlargement and environmental challenges

Professor Bedrich Moldan, Director of the Environment Centre of Charles University in Prague and Chairman of the Board, Regional Environmental Centre for Central and Eastern Europe, Szentendre, Hungary

European security and transatlantic relations

Professor Catherine McArdle Kelleher, Director, Aspen Institute Berlin

Economic policy coordination in EMU

Professor Charles Wyplosz, Director of the Graduate Institute of International Studies, Geneva

EU enlargement and labour mobility

Professor Michael Burda, Humboldt University, Berlin

Multicultural Europe — challenges and visions

Barbara John, Commissioner for Foreigners Affairs, Senate of Berlin, Berlin-Brandenburg

Present and future challenges for Germany
Arto Mansala, Finnish Ambassador in Berlin

Key moments in the history of Berlin
Professor Hannes Saarinen, Director of the Finland Institute in Berlin

Tax and social security reform in Germany
Professor Hans-Werner Sinn, University of Munich

New sciences and business
Christopher Evans, Director, Merlin Bio-Sciences Ltd, London

16-17.11.2000 Hämeenkylä Manor, Vantaa

The new economy
Professor Matti Pohjola, Acting Director, World Institute for Development Economic Research, UNU WIDER
Pekka Ylä-Anttila, CEO of Etlatieto Oy

Multiculturalism in the Finnish economy
Marja-Liisa Trux, Project Director, SITRA

18-19.12.2000 Vanajanlinna, Hämeenlinna

Work in groups preparing the themes for the final report

THE FINLAND 2015 PROGRAMME

SITRA has been training Finnish decision-makers for over twenty years now, providing Economic Policy Management Courses for decision-makers and experts

since 1977. During the 1990s, SITRA also cooperated with other organizations in preparing the National Strategy Development Programme. The Finland 2015 programme is SITRA's latest training and development programme for Finnish decision-makers. The first course under the programme took place in spring 2000. All told, the Finland 2015 programme will encompass six courses over the years 2000-2002 plus a joint seminar for all six courses to be held in 2003.

Objectives

The objective of the Finland 2015 programme is to develop the knowledge, skills, resources and networks of senior Finnish decision-makers in issues concerning the future of Finnish society. The programme is basically national in scope, but approaches its subject from a strongly international perspective. The structure, methods and content of the programme are multidisciplinary and take account of all layers of society. In pursuit of the programme objective, participants

- are given a wide range of information on current affairs and issues crucial to the future;
- take part in discussions with both Finnish and foreign experts from different sectors and with other decision-makers;
- assess the main challenges facing Finland in the future;
- familiarize themselves with strategic policies at national level;
- use the information they gain from the programme in their own daily work; and
- prepare a report for further work on the most important new strategic policies for the future.

The Finland 2015 programme is a contribution to SITRA's goal of making Finland one of the three most successful nations in the world by 2010.

Participants

The programme was launched by a committee representing different elements and schools of thought in Finnish society and chaired by Aatto Prihti, President of SITRA.

Leaders from all sectors of Finnish society are invited to take part. Prospective participants come from leading positions in politics, public administration, business

and industry, various types of representative body, the third sector, the media, research and education. A wide spectrum of views and opinions are represented. Both men and women are invited to take part in the courses, and efforts are made to ensure the representation of different age groups.

About 25 participants are invited to each course. The invitation is officially sent by the Prime Minister, although in practice SITRA is responsible for recruitment.

Detailed planning and implementation of the programme has been handled by the SITRA training team under Tapio Anttila. SITRA is responsible for funding. The programme is not a commercial training product and is not intended to compete with any management training programmes. Course participants are responsible for their own travel and accommodation expenses for the seminars.

Content and structure

The Finland 2015 programme will take three years to complete and will include six separate courses involving participation from around 150 of Finland's top decision-makers from different fields of human endeavour. A final joint seminar for all six courses will be held in 2003.

The results of the second course are presented here. The course consisted of four separate seminars. In the intervals between seminars, participants worked at home and continued their discussions over the Internet.

The course began with a seminar in Washington DC. Subjects covered included the economic outlook for the United States and problems in the world economy, education, the future of the information society and new business sectors, and the differences between societies in Europe and North America.

The second seminar was held jointly in Moscow and Berlin. In Moscow, the focus was on Russia's economic and political outlook, banking and finance, foreign and security policy and economic crime. The subjects covered in Berlin included economic policy coordination in the euro area, environmental impacts and the

mobility of labour in the context of European Union enlargement, plus the commercialization of scientific innovations and the challenges of multiculturalism.

The last two seminars were held in Finland. The first of these addressed the issue of the new economy and information technology from a global perspective and discussed multiculturalism in Finnish society and business. At both the Finnish seminars participants worked together in small groups to prepare the final report.

All the experts from Finland and abroad who contributed to these seminars are leading authorities in their respective fields both in their own countries and internationally.

SITRA's partners in organizing the seminars included the Brookings Institute and the International Monetary Fund in Washington DC, the Centre for Strategic Studies and the International Moscow Bank in Moscow, and the Finland Institute in Berlin. The Finnish embassies in Washington, Moscow and Berlin also made a valuable contribution to course preparation and practical arrangements, while a number of experts from Finland and abroad gave valuable assistance in implementing the course.

Methods

Each course of the Finland 2015 programme consists of seminar work and use of a virtual learning environment. Participants contribute their own expertise to the progress and content of the work, but also learn new things and pick up new ideas and influences from the other experts on the course.

The seminars are held in Finland and abroad in cooperation with experts from different fields. They involve the presentation of papers by the participating experts and discussion of various topics. The seminars are closed to outsiders.

An Internet-based learning environment has been constructed for the programme, and this serves as a channel for supplying course participants with background material both before and after the seminars. Brief portraits of the experts contributing to the seminars, usually with a summary of their papers, are distributed to participants beforehand over this network. It also enables participants to discuss the topics amongst themselves during the course.

The virtual learning environment serves as a support network for the Finland 2015 programme between seminars and also in preparation of the final reports. It will be used in all the courses under the programme and also in other SITRA training programmes in the future.

This final report on the second course in the Finland 2015 programme is also available in unabridged form on the SITRA website at www.sitra.fi/suomi2015. We welcome feedback and discussion on the views expressed in the report. Please send any comments you may have by e-mail to suomi2015@sitra.fi. The report on the first course can be found at the same address.

PARTICIPANTS ON THE SECOND COURSE

The invited participants on the second course in the Finland 2015 programme were:

- Pekka Ala-Pietilä, President and Member of the Group Executive Board, Nokia
- Jouni Backman, Member of Parliament, Social Democratic Party
- Tuija Brax, Member of Parliament, Green League
- Pekka Hallberg, President of the Supreme Administrative Court
- Lieutenant-General Jussi Hautamäki, Western Command Headquarters
- Sirkka Hautojärvi, Permanent Secretary, Ministry of the Environment
- Eero Huovinen, Bishop of Helsinki
- Eeva-Liisa Inkeroinen, Director, Employers' Confederation of Service Industries
- Kari Jalas, Managing Director, Central Chamber of Commerce
- Eero Kasanen, Rector, Helsinki School of Economics and Business Administration
- Marketta Kokkonen, Mayor, City of Espoo
- Paula Kokkonen, Member of Parliament, National Coalition Party
- Tellervo Kylä-Harakka-Ruonala, Director, Confederation of Finnish Industry and Employers
- Markku Laukkanen, Member of Parliament, Centre Party
- Olli Lindblad, Vice-President, SITRA
- Hannele Pohjola, Department Head of Research, Technology and Communications Policies, Confederation of Finnish Industry and Employers

- Veli-Pekka Saarnivaara, Director-General, National Technology Agency of Finland (TEKES)
- Tuire Santamäki-Vuori, Vice-President, KTV (Trade Union for the Municipal Sector)
- Keijo Suila, President, Finnair
- Ralf Sund, Party Secretary, Left-Wing Alliance
- Markku Talonen, Chairman, Sonera Corporation
- Ari Valjakka, Editor-in-Chief, Turun Sanomat
- Jukka Valtasaari, Permanent Secretary, Ministry for Foreign Affairs
- Ulla-Maj Wideroos, Member of Parliament, Swedish People's Party
- Matti Viljanen, Chairman, Association of Finnish Engineers
- Erkki Virtanen, Permanent Secretary, Ministry of Trade and Industry

The second course in the Finland 2015 programme was once again chaired by Minister Jaakko Iloniemi and practical arrangements taken care of by the SITRA training team (Kari Tolvanen, Tapio Anttila, Tuovi Allén, Pekko Kohonen and Anne Törnroos). Matti Karhu also helped with the practical arrangements for the seminars held in Finland and in preparation of the final report. Assistance with course organization was provided by Anu Löfhjelm of SITRA and students Susanna Ekola and Suvi Savola.