

# The Changing Influence of the Finnish Parliament since the Early 1990s

## Introduction

The argument of declining power of parliaments at the expense of the governments and civil service has been widely accepted among researchers. This decline has been the result of both domestic factors, such as concentration of power among political parties to their leaders and the increasing complexity of issues on the political agenda, and European integration and the related increasing role of the judiciary as well as globalization (Raunio & Wiberg 2014).

However, Finland has been, at least partly, an exception to this general trend since the constitutional amendments in 2000 and 2012 have significantly cut the formal powers of the president of the republic, and increased, respectively, formal powers of the government and parliament in Finnish policymaking. In fact, nowadays parliament's constitutional position is stronger than ever before. Although recent studies have shown that the position of parliaments have increased as a result of the reforms dealing with control mechanisms focusing on the government, policymaking is still clearly government-led in Europe as well as in Finland. This means that a strong and viable government leads in principle to deterioration of parliaments. The Finnish government can be seen as deservedly strong. Since 1977 the country has been led in practice by majority coalitions which have been in power throughout the entire electoral term. On the other hand, in Finland, as in all EU member states, a part of the legislative power of the parliament has been transferred to Brussels and Strasbourg.

The argument of declining power and the position of the Finnish parliament will be tested in this chapter by analyzing especially the changing views of the elites and the citizenry regarding the power of parliament over the past two decades. We analyze first the views of the elites and the citizenry on parliament's power vis-à-vis other social institutions and organizations. Secondly, we analyze the transformation of parliament's position in the interaction network among the elites. Finally, we assess to what extent the perceptions of the elites and the population can be justified. The study of the relationships between the elites and the population is seminal due to the fact that the elites are not functioning in a vacuum. On the contrary, the elites and other social groups are more or less interdependent, and the latter may challenge the former's power. In order to map the relationship between the elites and the population we have to understand the way social reality and power structures are constructed by these actors themselves (Salverda & Abbink 2013, 16).

## Theoretical framework, method and data

The core of classical elite theory can be roughly reduced to Gaetano Mosca's (1939, 50) thesis, according to which there are two classes of people in all societies: the class that rules and the class that is ruled. Nowadays this black and white conception appears oversimplified; different people and organizations may wield influence in different spheres of life. According to the classical elite theory, the elites and democracy are incompatible and mutually exclusive. The most sophisticated revision of elite theory in the last decades has concerned the linkage of the elites to democracy. While classical elite theory stressed incompatibilities between the elites and democracy, the conception that the existence of several elites may be compatible with democracy, depending on their characteristics, has been called pluralist, the competitive theory of democracy or democratic elitism (Parry 1969; Erzion-Halevy 1993; Ruostetsaari 2007).

Two separate debates have emerged around democratic elitism. The first concern the relationship between the electorate and elected political representatives, where the political involvement of citizens is the main focus. The second debate concerns the interrelationship of political and other elites in the day-to-day decision-making processes in democracies. Here the focus is on the distribution of decision-making power among the multiple elites, with citizens' influence accorded secondary importance (Engelstad 2010: 61). These approaches have also been combined in empirical analyses, which is also the case in this chapter, where the focus has been on interrelationships both within the elites and between them and the population (see Ruostetsaari 2006; 2007).

The concept of an elite refers here to individuals who can regularly influence thanks to their strategically pivotal positions in influential organizations or formally unorganized groups formation of important societal decisions (Ruostetsaari 2003: 47-48). This study was methodologically based on the positional approach (see Hoffman-Lange 1987: 31) where the first step was to outline the Finnish elite configuration in 1991 (Ruostetsaari 1993) by analyzing the power structures and the roles of institutions and organizations in various societal sectors based on information from previous studies and official documents. Secondly, the elite members were identified based on the highest ranking positions of individuals in a wide array of institutional fields. The elite structure in 2001 (Ruostetsaari 2006) and 2011 were constructed identically, i.e., by analyzing changes in society and organizational structures. The Finnish elite structure, termed here as a power elite (Mills 1956), is composed of influential persons from the areas of politics, administration, business, organizations, the mass media, science, and culture. The number of positions included in the elite structure was 1121 in 1991, 1285 in 2001, and 1409 in 2011 (see Ruostetsaari 2013: 265-266 for more detail).

The present study was based on several postal surveys. The first survey was conducted among the elites in November-December 1991 (rate of response 66.9%); the second in September-October 2001 (53.5%), and the third (together with an Internet inquiry) in September-December 2011 (34.3%). Simultaneously, surveys were conducted among the citizenry. In 1991 (November, the sample size was 728) and 2001 (September, 738) surveys focusing on the population were carried out with the assistance of Gallup

Finland's so-called Finland Channel. The latest survey focusing on the population was carried out in August-December 2011 as a part of data collection for Finland's ISSP 2011 study controlled by Statistics Finland in which the population was composed of 15-74 year-old Finns. The method of sampling was based on systematic random sample acquired from the Register's Office; the size of the sample was 2500; the method of data collection was postal survey and Internet survey; and the rate of response was 53.6%.

## **Parliament's influence vis-à-vis other societal institutions**

A lot of research has been written regarding the problems related to the measurement of parliament's power. More generally, empirical studies of power are complicated by the fact that there is not a generally accepted theory of power. In fact, power has several faces and forms (e.g. Bachrach & Baratz 1962; Lukes 1974). The consensus does not even pertain to the concepts. For instance, there are different interpretations about the relationship between power and influence. Here influence is defined as an umbrella term, and power is a special case of influence (Wrong 1979). Influence may be based both on the positions of authority in formal organizations and informal factors, such as skill, talent and charisma which cannot be reduced to formal positions. Hence, an actor, i.e., individual or organization, can exert influence if it can intentionally affect the behavior and attitudes of an other actor, irrespective of whether the last one is aware of being a target of affecting, or to which means or procedures the ability to affect is based (Ruostetsaari 2003; 49-50).

Despite different approaches, most studies interpret power as a relationship-based concept; power is related to the relationships among actors rather than to their characteristics. Hence, parliament's power deserves to be studied in relation to other societal institutions and organizations which is the case in the present chapter.

According to most opinion polls, the elites and the citizenry differ from each other in terms of attitudes (e.g. Wiberg 1998; 2000: 57; cf. Ruostetsaari 2013), and this can be explained in different ways. Firstly, the elites have more responsibilities in various organizations, for instance dealing with the economic costs of decisions. Since most elites are better educated and informed on current issues than the average population, they are also better placed to understand complex issues. Due to the fact the elite members are well-off, even privileged in many respects, social reforms, or non-reforms, do not affect the elites and the citizenry identically (see Julkunen 2001: 85). In fact, it would be surprising if there were no attitudinal differences the two groups. A much more interesting question is, how the views between the elites and the citizenry dealing with parliament's influence have changed over time in the context of substantial social transformations i.e., whether they have increased, decreased, or remained unchanged.

Individuals included in the elites as well as a sample of the general population were asked concurrently to evaluate how much actual influence 22/24 listed institutions have on social decisions, which affect the lives of the citizenry or the groups of citizens (4= no influence at all; 10= very much influence). The responses were transformed to rank order (Table 1), firstly, for illustrative purposes, and secondly, because influence is

theoretically related to the relationships among institutions. The resulting time series depict the power conceptions of the elites and the citizenry in the context of important turning points in the 1990s and 2000s.

The first postal survey conducted among the elites and the general population took place in the context of the collapse of the Finnish national economy, immediately after the devaluation of currency in November 1991. Moreover, a postal survey was conducted exclusively among the population at the end of 1993, when the country had suffered two years of the "great recession". Another survey was conducted in autumn 1994, just before the referendum on Finland's accession to the European Union. The postal surveys conducted among the elites and the population took place in 2001, in the context of economic recovery after the great recession. Another survey was conducted

**TABLE 1.** *Views of the Citizenry and the Elites on the Social Influence of Various Institutions in 1991-2011 (Rank Ordered).*

	The citizenry			The Elites		
	1991	2001	2011	1991	2001	2011
Banks	1	8	8	6	14	14
Large corporations	2	3	4	7	4	6
TV, radio	3	4	6	2	2	3
Press	4	5	7	4	3	4
Employer organizations	5	12	10	11	11	11
Cabinet	6	1	1	1	1	1
Wage-earner organizations	7	10	12	5	7	10
Judiciary (police, courts)	8	7	5	14	13	12
President of the Republic	9	9	4	3	9	15
Political Parties	10	11	9	9	12	5
Insurance companies	11	15	16	16	18	19
State civil servants	11	13	11	8	8	8
Parliament	13	6	2	12	5	2
Agricultural producers' organizations	14	19	21	13	19	17
Municipal civil servants	15	14	13	10	10	9
Armed forces	16	16	18	17	16	18
Municipal elected officials	17	17	15	15	15	13
Civic organizations and movements	18	18	17	18	17	16
Universities	19	20	19	19	20	20
Representatives of culture	20	23	23	20	23	22
Church	21	21	22	21	22	23
Individual citizens	22	24	24	22	24	24
European Union	*	2	3	*	6	7
Provinces	*	22	19	*	21	21
N	728	738	1340	698	560	434
* not inquired						

in 2011, which was preceded by the international financial crisis, the debt crisis of the euro zone including Greek and Portuguese bailouts and the landslide victory of the True Finns in the general elections of 2011.

The government's policy of "stable currency" failed, and Finland was forced to devalue her currency in November 1991 after the negotiated social contract for reducing the manpower costs foundered as a result of the resistance of labor unions. The economic crisis and the bank crisis became engraved in the public mind at least in September when the Bank of Finland took control of one commercial bank. The banks had to stop "shoveling" loans to their customers, and "the jubilee of consumption", for which the public had been accused, came to an end (Ruostetsaari 2003: 259). In this context the views of the citizenry differed significantly from the elites in terms of social institutions' influence.

The largest difference between the power elite and the population in the early 1990s was that the power elite deemed the influence of the political institutions stronger than the citizenry. As the power elite ranked the government the most influential social institution, according to the population it was only the sixth most influential. While the power elite ranked the president of the republic the third most influential, the citizenry ranked it the ninth most influential institution. The difference in the case of parliament was much smaller; the power elite evaluated it twelfth, while the citizenry ranked it in the thirteenth most influential institutions.

The second essential difference in the early 1990s concerned the influence of economic institutions. They were evaluated by the population as the most influential institution, while the power elite ranked them third, after the political institutions and the mass media. In other words, the population ranked the banks the most influential institution but the power elite only ranked them sixth place. The citizenry ranked big corporations the second most influential institution, but the power elite only ranked them in seventh place. Also the insurance companies were evaluated clearly more influential by the population than the power elite. Moreover, in terms of corporatism, there was an attitudinal difference between the power elite and the citizenry. The citizenry ranked the labor market organizations the third most influential after the economic institutions and the mass media. In other words, the population ranked the employer organizations fifth and the wage-earner organizations as the seventh most influential institutions while the power elite ranked them eleventh and fifth, respectively.

The power perceptions of the citizenry changed dramatically during the deepest period of recession in 1991-1993, when the politics underwent a renaissance as an influential social institution. At that time the government was evaluated by the citizenry as the most influential institution, a position that it has maintained until the present. Parliament's influence increased even more than that of the government: the former climbed from the thirteenth position to the sixth, even though it did not return to the level of the 1970s. The change was notable. Political institutions were ranked by the citizenry equally in the mid-1970s (Pesonen & Sankiaho 1979).



The recession had a twofold effect on the economic institutions' influence. While large corporations were still evaluated by the citizenry as the second most influential institution in 1993, the banks, which were amidst the turmoil of crisis, dropped to seventh position. Simultaneously, the insurance companies dropped from eleventh to sixteenth position. Moreover, labor market organizations lost a significant share of their power during the recession. The citizens' views on influence in 1993 also reflected other changes, which may have been a result of the recession, i.e., the need for material and psychological security. During two years of the recession the influence of the judiciary (police, courts), the church and the armed forces increased, i.e., institutions in which the Finns have traditionally put a great deal of trust by international comparisons (Norris 2011).

In fact, the great recession permanently changed citizens' views on the influence of the parliament and the government. These institutions, which were in charge of cutbacks and savings in public finances, were seen by the citizenry as decision-makers who affected more and more their living conditions. Political decision-makers took the position that the banks held in the public agenda during the years of "the casino economy" prior to the recession. In other words, the recession directed citizens' eyes to the visible wielding of power, i.e., the first faces of power, while the influence of the market forces were less visible and could not be as easily personified. Paradoxically, politics experienced a renaissance in citizens' perceptions at the moment when political decision-makers' explicit goal was to reduce the role of the public sector in Finnish society and economy by deregulation and liberalizing the markets (Ruostetsaari 2003: 266).

According to the citizenry, the influence of political institutions actually increased by September 1994 when the forthcoming EU referendum was reflected in the public debate. The government maintained its first position but the parliament rose to the fourth most influential position, and the president of the republic to the eighth most influential. Even economic institutions recovered from the recession: large corporations dropped one rank to third, but the banks rose one rank to sixth. These evaluations seem to suggest that citizens' views of the increasing influence of political institutions were totally detached from the public debate of that time. According to a general statement Finland's EU membership would reduce national sovereignty and curtail the influence of political institutions, especially parliament. However, the EU debate was reflected in the evaluations, which the population presented in 1994, concerning the forthcoming influence of various institutions in the 1990s. In fact, citizens' view on the increasing influence of political institutions in the future, which were distinctive for the evaluations in 1991 and 1993, were swept away by 1994 (Ruostetsaari 2003: 267).

The government maintained, according to the citizens' views, the position of the most influential institution through the early 2000s but the European Union, which was for the first time included in the list of institutions in the survey, came close. As parliament was ranked the fourth most influential institution in 1994, it dropped to sixth place by 2001, although it was seen more influential than in the early 1990s. The economic growth accompanying the great recession was not sufficient to restore citizens' views on the influence of economic institutions. On the contrary, banks, large

corporations and insurance companies lost their influence. According to the power elite, by contrast, the influence of parliament (fifth) and large corporations (fourth) increased while that of banks, insurance companies and the president of the republic decreased.

When economic growth was halted as a result of the international financial crisis (2008-2009) and the Eurozone crisis (2009- ), the role of the political decision-makers became once again more visible in the public agenda because they were in charge of saving the public economy from recession. Like in the context of the great recession in the early 1990s, the influence of the political institutions, as evaluated by the power elite and the population in 2011, increased significantly. According to the evaluations of both parties, large corporations and insurance companies lost their influence while that of the parliament markedly increased, becoming the second most influential institution. In fact, parliament's influence, together with the political parties and the judiciary, has increased linearly since the early 1990s by both the power elite and the population. By contrast, according to evaluations of both parties, the influence of the president of the republic, the mass media (TV, radio, the press), wage-earner organizations and the EU has decreased.

All in all, the attitudinal difference between the power elite and the citizenry in terms of distribution of influence among social institutions increased from the early 1990s by the early 2000s but then turned to decline, even if it did not drop in 2011 to the level of 1991 (Ruostetsaari 2013b). The views of the power elite and the citizenry dealing with parliament's influence have been very similar and changed in parallel. However, the power elite ranked parliament's influence a little higher than the population in 1991 and 2001.

## **Parliament's position in the interaction network among the elites**

Next we analyze parliament's position in the interaction network among the elites. The purpose is to find out to what extent parliament's centrality in the network has changed since the early 1990s. The contacts of the elites representing various institutions can be assessed through social networks in which case the research method was based on network analysis (see Knoke 1983; 1990; Lauman & Knoke 1989; Bonacich 1972; Barnes 1979).

Influence is included in all interaction relationships (Giddens 1981: 28), because interaction means production and reproduction of the structure that brings about rules and resources (Clegg 1981: 141). In fact, the resource dependence theory underlines the relationships among organizations as a basis of influence. An organization tries to avoid dependence on other organizations and make other organizations dependent on itself. In order to avoid dependencies and constraints, organizations seek to manipulate the flow of information from their own activities. The more an organization interacts with several organizations, the less it is dependent on one organization. The availability of alternative sources of resources will strengthen organization's ascendancy. Conversely,

the more dependent other organizations are on scarce resources controlled by one actor, the more influence an actor has (e.g. Aldrich 1979: 199; Pfeffer & Salancik 1978: 216).

We begin by looking at the structure of the networks of interaction prevailing among various elite groups. The challenge for our approach was that it was impossible to directly analyze contacts among the elite members. The reason for this was, firstly, that it was impossible, because of lack of space, to list all elite members, i.e., more than one thousand names, in the questionnaire and to inquire about respondent's contacts to all other elite members. Secondly and more importantly, the respondents were guaranteed anonymity in order to enhance willingness to respond to the inquiry. Hence, we cannot analyze elite members' contacts to other individuals included in the elites but only to institutions which were included in the elite structure. The respondents were presented with a structured question with the following statement: "The following is a list of instances and institutions with which you may have had contact in connection with your job, positions of trust, leisure pursuits, etc. Please state for each the frequency of your contacts and the nature of your contacts" (Ruostetsaari 2013b).

Next we consider the positions occupied by different organizations or institutions in the interaction network of the power elite, which covered different elite groups (Table 2). This was done by using an index created on the basis of responses to the question of frequency of interaction. The three response alternatives, "at least once or twice a month", "a few times a year" and "less often or not at all", were scored on a 0-100 scale, the mean being treated as "frequency" and the mean reflecting those respondents who scored above 0 being treated as "intensity". This index, which can be called density, is a combined variable which takes into account both the frequency of interaction and its intensity (For more about the details, see Ruostetsaari 2006).

At the beginning of the 1990s the most central institution in the power elite network was the mass media, whose position in the interaction network can be characterized by the index value 75. Until 2011 the mass media maintained its most central position even if it dropped to the second, lower circle in the network (index value 68 in 2001 and 67 in 2011). At the same time the third circle in the interaction network (index 50-59) was occupied by three institutions: the government (52), private firms (50) and banks (51). Of these the government dropped to the fourth circle (48) in 2001 but rejoined the third circle in 2011 (53). Private firms maintained their position in 2001 (51) but dropped to the fourth circle in 2011 (41). Especially the role of the banks was weakened in the interaction network. While it was included in the third circle in 1991 (51), it dropped to the fourth in 2001 (49) and to the fifth in 2011 (30). In 1991 the fourth circle of intensity was composed of two institutions, central government agencies (42) and universities (48). Since then the first-mentioned institution dropped to the lower circle (39 in 2001, 33 in 2011). By contrast, the density of the universities increased in 2001 (52) and 2011 (50).

This notwithstanding, the density of three-fifths of the institutions in the power elite's interaction network has decreased since the early 1990s. The density of interaction decreased most with banks (-21), state-owned firms and public utilities (-10), the Ministry for Foreign Affairs (-9), central government agencies (-9), private firms (-9), the Ministry of the Environment (-8), the mass media (-8), wage-earner organizations



**TABLE 2.** *The Density of Interaction Network Between the Power Elite and Various Institutions in 1991-2011 by Index.*

Institution	Year		
	1991	2001	2011
The mass media	75	68	67
The government	52	48	53
University/of applied sciences	48	52	50
Private firm	50	51	41
Municipality and federation of municipalities	34	38	36
Other research institute	36	37	34
Central government agency	42	39	33
Entrepreneur or business organization	36	33	33
Political party: national organization	33	30	32
Employers' organization	34	37	31
Ministry of Education and Culture	34	32	31
Other association	30	36	31
Bank	51	49	30
Ministry of Finance	34	28	30
Parliamentary group	29	29	30
Wage-earner organization	36	33	29
Ministry of Employment and the Economy	28	26	29
State regional administration	*	26	29
Cultural organization	34	30	27
Parliamentary committee	26	25	27
State-owned firm or public utility	35	30	25
Prime Minister's Office	22	23	23
Ministry of Social Affairs and Health	20	21	22
Political party: regional organization	23	21	22
Regional Council	20	25	22
Ministry of Transport and Communications	20	23	21
Political party: local organization	25	23	21
Armed forces	23	23	20
Ministry for Foreign Affairs	29	25	20
Cooperative firm	23	19	19
Ministry of Agriculture and Forestry	16	18	18
Ministry of the Interior	22	23	18
Agricultural producers' organization	20	20	17
Church	19	17	17
Ministry of Defence	19	16	16



Institution	Year		
	1990s	2000s	2011
Ministry of Justice	13	16	16
Ministry of the Environment	24	18	16
Judiciary (courts, police)	12	13	15
Environmental protection organization	16	13	13
The President of the Republic	10	15	12
Women's organization	11	11	11
Consumer organization	9	10	8
N=	696	609	431

(-7), and cultural associations (-7). The few exceptions, the density of which increased slightly since the early 1990s, were the judiciary (+3), the Ministry of Justice (+3), the President of the Republic (+2), the Ministry of Agriculture and Forestry (+2), the Ministry of Social Affairs and Health (+2), regional councils (+2) municipalities and their federations (+2), universities (+2), political parties' parliamentary groups (+1), and parliamentary committees (+1). Moreover, the position of political parties' national and regional organizations has increased since the early 2000s, even though it did not reach the level of early 1990s in 2011.

All in all, the interaction networks of the Finnish elites dispersed since the early 1990s and the number of institutions with which they interacted very intensively decreased. In other words, the interaction network links the elites to each other more and more loosely. Furthermore, the number of institutions included in the inner core of the interaction network reduced and partially changed after the early 1990s. Within the elites there were only slight deviations from this general trend. Even if the contacts of the elites with the parliament were not directly surveyed it is evident that parliament's position in the elite network was strengthened since the early 1990s, i.e., the density of political parties' parliamentary groups, parliamentary committees and political parties increased.

## Discussion

This chapter has assessed the views of the elites and the citizenry dealing with parliament's influence as well as the position of parliament within the interaction network of the elites since the early 1990s. The argument for a declining influence of parliament was not supported by the views of the elites and the citizenry. By contrast, parliament's influence was seen to have increased significantly since the early 1990s. The views of both parties have been close to each other and changed in parallel. They were identical in 2011; however, previously the elites had ranked parliament somewhat more influential than the citizenry's evaluation.

The increasing influence of the parliament was related to the economic crises. The first significant turn was the great recession in the early 1990s which indelibly changed

the power conception of the elites and the citizenry. The political institutions, which were in charge of the savings and cutbacks in the national economy, were seen as more influential than prior to the crisis. The second turn in terms of parliament's influence was the international financial crisis and the Eurozone crisis in the 2000s. As a result the parliament was ranked as the second most influential institution. In the context of both turning points, however, the citizenry evaluated all economic institutions more influential than the elites while the latter underscored greater influence of political institutions.

Changes that have taken place since the early 1990s within the elites' interaction network suggest an increase in the influence of the parliament. Even if the parliamentary committees and political parties' parliamentary groups have never been included in the inner core of the interaction networks of the elites, their position strengthened after the early 1990s. Moreover, the position of political parties' national and regional organizations was strengthened after the early 2000s. By contrast, the position of economic institutions weakened, i.e., they interconnected the elites more and more loosely.

However, the government was assessed by the elites and the citizenry as more influential than the parliament. This interpretation is no surprise since the Finnish governments have been majority coalitions since 1977, which have been able to direct effectively parliament's work. By contrast, a more surprising assessment concerned the influence of civil service, which was seen as very stable since the early 1990s by the elites and the citizenry. This view is, however, not trouble-free. The research literature offers arguments both for and against this assessment (see Ruostetsaari 2014a; Wiberg 2014: 181).

There is one important exception to the unaltered influence of the civil service. The influence of the judiciary (police, courts) was seen to have increased by the elites and the population since the early 1990s as well as its position in the interaction network among the elites was strengthened. The increased influence of the judiciary, especially the courts, i.e., the juridification can be explained by the important changes that took place after the 1990s in the Finnish legal culture. These transformations included Finland's accession to the European Union and the European Convention on Human Rights as well as domestic reforms on fundamental rights and overall reform of the constitution

The European Court of Justice has been seen to have adopted a role close to a legislator since the EU Directives have a direct legal effect on the member states. This has, in turn, increased the juridical discretion among national courts. Since Finland's accession to the EU in 1995, the national courts have been obliged to give priority to EU laws vis-à-vis national legislation. As a result of that the fundamental rights cover the whole sphere of the legal system, the courts are obliged to take a stand on issues that previously belonged only to the legislature. The influence of the courts has increased since the early 2000s because their decisions refer more and more to the principles of fundamental and human rights. As the discretionary power is always included in the judicial decisions, the courts have also exerted political influence that should belong to the legislature (Nieminen 2004). Since a part of the legislative powers of Finland's

parliament were relocated to the EU and the political discretionary power of national courts has increased, the views of the elites and the population, according to which the influence of the parliament and the judiciary have simultaneously increased, are contradictory. According to Tuori (2013: 7-9), the Finnish legislature has given away even more of its legislative powers than the EU treaties and laws would require.

It is evident that the views on parliament's increased influence were a result of the constitutional reform in 2000 and the public debate on aspirations to strengthen the role of parliamentarism in terms of distribution of power among political institutions. The great recession in the early 1990s and the international financial crisis and the Eurozone crisis since 2008 have increased the role of parliament in political agendas as an actor that makes more and more pivotal decisions which focus on economic institutions, such as banks and large corporations. Finland's legislature, together with other EU members states, have approved bail-outs to Ireland, Portugal, and Greece and tightened the regulation and control of the monetary markets (e.g. Bank Union)

However, during the last few years the problems of democracy related to the EU, especially in the countries of Eurozone, such as Finland, have included financial and budgetary concerns more than legislative matters. In fact, the monetary policy was transferred from the Bank of Finland to the European Central Bank in 1999 when Finland was affiliated with the European Monetary Union. The emergency operations, which were started in the spring of 2010 in order to overcome the debt crisis of the Eurozone, have affected the national sovereignty of the beneficiaries and providers of assistance. The sovereignty of states belonging to the Eurozone has been reduced in terms of the financial policy. Parliament's budgetary powers are threatened not only by vast economic responsibilities for the bailouts but also by gradually tightening European regulations focusing on the economic and financial policies. (Tuori 2013: 10-11). Since 2013 the European Commission has been entitled to check in advance the national budgetary processes.

Simultaneously, the growing influence of the parliament and the judiciary and the deteriorating influence of the economic institutions, such as banks and large corporations is difficult to reconcile. The politicization of justice, i.e., transferring a part of political discretion from the parliament to the courts, and the juridification of politics, i.e., increasing the role of fundamental rights and the restrictions produced by the legal system of the EU on parliament's political discretion, have reduced the power of the parliament. This can be seen as problematic in terms of the key principles of the rule of law, such as democracy and the doctrine of separation of powers (Tuori 2007: 273-274).

Even if the parliament has become a more prominent decision-maker in the field of the economic policy in managing the consequences of the homemade recession in the 1990s and the international financial crisis and the debt crisis of the euro zone since 2008, international and domestic recession have de facto narrowed Finnish parliament's room for maneuver. The recession has, in turn, increased the lobbying power of economic institutions, such as large corporations vis-à-vis the political institutions, in the name of the national competitiveness. The parliament was obliged de facto to respond to the debt crisis of the Eurozone by accepting the bailouts. The international

credit rating agencies have actually affected the Finnish budgetary policy; in order to maintain Finland's AAA rating the government has been sensitive to the evaluations of these institutions. Finland's Prime Minister, Jyrki Katainen's optimistic statement after the first bailout in Greece in spring 2010, according to which, the political decision-making have taken a "halterneck" from the uncontrolled market forces (Kauppalehti Optio 2012: 37) has proven to be premature.



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