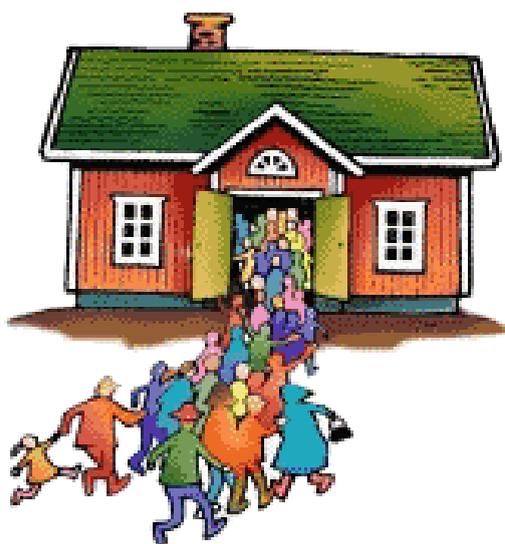


The Village Action Association of Finland *Suomen Kylatoiminta ry*



Vanessa Halhead
May 2004

THE VILLAGE ACTION ASSOCIATION OF FINLAND

Introduction

This report on the Village Action Movement of Finland comprises one of four national case studies. The case studies are part of a wider report on the Rural Movements of Europe. The case study of Finland was compiled from a study visit, which took place in September 2003. It is a snapshot in time in this dynamic movement, and many developments have taken place since then. It does, however, provide a useful insight into the origins, development, structure and activities of the movement. The report was produced, not as an academic analysis, but to provide useful information to those who have a practical interest in the process of rural development and the role and structure of the European rural movements. It is hoped that the report will provide useful information, inspiration and connections.

The report comprises two sections:

The National Context – provides essential information to set the rural movement within the context of the structure and administration of Finland and its rural areas.

The Village Action Association of Finland (SYTY) – gives a detailed account of the main features of the movement, comprising a factual account of its history, structure, activities, achievements and problems, and a full commentary providing an insight into the character of the movement and the issues raised by it.

Acknowledgements

The process of gathering the information was inspirational, and the many people who helped to provide a picture of the movement, in all its facets, gave an insight into the great extent and diversity of activity taking place to build a viable future for Finland's many rural communities.

In particular, I would like to express my thanks to the following people:

- Eero Uusitalo, General Secretary of the Rural Policy Committee and Chairman of the Village Action Association of Finland, for his support, information and inspiration on the rural development context in Finland, and the origins and ethos of the village action movement. Eero's commitment to rural development in Finland has been essential to its great progress.
- Risto Matti Niemi of the Ministry of Agriculture and Forestry, and former General Secretary of SYTY, who organised and hosted part of the visit, and provided information, guidance and editing of the final report.
- Pietari Jääskeläinen, General Secretary of SYTY and Tarja Helanen, Hanna-Leena Asunta and the other staff of SYTY who assisted, not only during the study visit, but also during the report writing, in providing information, documents, maps, editing etc. essential to the accuracy of the report.
- Torsti Hyyryläinen, Päivi Pylkkänen, Eeva Uusitalo of the University of Helsinki, Mikkeli Institute for Rural Research and Training, who played a major role in helping to put together the research programme, and the lecturers on the Rural Studies Programme, who provided a sound basis of information about rural development in Finland.
- Iiris Juvansuu, and the many people working with the village movement and rural development in the region of Central Ostrobothnia, who provided their time and information. Iiris organised and hosted the programme in this region, and has continued to contribute information and ideas since, including visiting Scotland to present the Finnish movement.

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Comment

On behalf of the Village Action Association of Finland, I wish to express our greatest gratitude to Ms Vanessa Halhead for starting the international comparison in the field of rural and village activities. This work has been very rarely done, though it has a great importance.

Ms Vanessa Halhead's report educates all parties. The discussions we had, while she was interviewing us, were extremely fruitful – hopefully for both sides.

The village movement in Finland has expanded and advanced rapidly. It has taken place according to plan, though it does not always look like it. The necessity of leaning on different kind of project funding has reduced the style points of our activities. In the next phase, the area of priority will be establishing the finances and the activities and building up more cooperation with other rural non-governmental organisations.

An exterior observer, Ms Vanessa Halhead, visualized many things we, in the eye of all activities have not been able to see. Thank you, Vanessa.

Eero Uusitalo

Chairman of the Village Action Association of Finland

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FINLAND National Context

History

Finland became an independent country in 1917, after a long history of occupation. For many centuries, Finland was a part of the Swedish Kingdom and from 1807-1917 it was an autonomous Grand Duchy under the Russian Empire. Alexander XI, who took power in 1850, gave much freedom and the chance to build the society and the timber industry. During this period, Finland became economically independent, with its own foreign trade and currency. The basis for Finnish independence was built at this time. The Communist revolution in 1917 finally brought the end of the Tsars and allowed Finland to declare independence.

The period of WWII was a difficult time, with relations between Germany and Russia determining events in Finland, including the loss of Karelia to Russia. The battle to regain part of Karelia, was the last of over 40 wars with Russia in the history of Finland. Tensions with Russia lead to Finland signing treaties with the Russians and assuming an independent status during the Cold War, allowing a period of rapid economic development. In 1995, Finland joined the EU, setting it on a new development path, and is now in the Euro-zone.

Structure

The land area of Finland is 338,100 km², 1100 km from north to south. Of this, 98.5% is classified as rural, with 3% under built areas, only 8% is cultivated land, 68% is forest, 10% water with 188,000 lakes and 11% wetland and open areas.

The population is currently 5.2 mill. a density of 17/km², 2/km², in the north and 8/km² in other rural areas. 55-57% of population is living in rural areas, many of these around towns, 1 mill live in sparsely populated areas and 1 mill. in the Helsinki area.

Finland has a strong economy, ranking 30th in the world by GDP (110 bill. Euro)¹. Unemployment is currently 9% and inflation 0.5%. The average monthly wage is 2250 euro. The employment structure is dominated by services (33%) and industry (20%), with agriculture and forestry now only 5%. Export trade is lead by hi-tech equipment (28%) and pulp and paper (21%).

Administration

Finnish administration is composed of State administration at national, provincial and regional levels, and of regional and local self-government (local authorities).

President	elected every 6 years
Parliament	200 seats – elected every 4 years
Ministries	13
Provincial Government	6 Provinces with responsibility for some State functions
Regional Government	19 regions with both State and Municipal organisations
Sub-regions	A semi-official but increasingly important level for co-operation, 77 Sub-Regions 58 Local Action Groups (LAGs).
Local Government	444 Municipalities

National Government

Finland is a presidential republic. The President is elected by the people for a 6 year term, the current President, Tarja Halonen, is Finland's first woman President. The Parliament consists of 200 members, elected every 4 years. The Prime Minister is also elected every 4 years, by the Parliament. Since 2000, the composition of the Government has been dominated by the Centre Party (55), Social Democrats (53) and Moderate Coalition (40) which, with 5 other parties², make up the Parliament.

¹ Worldbank 2002 figures

² Left Alliance (19), Greens (14), Swedish Peoples Party (9), Christian Democrats (7), True Finns (3)

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Provincial Government

Following the restructuring in 1997, Finland was divided into 6 Provinces, with administrative units taking care of certain State functions, including police, taxation and some sectors of education and health care. The island Province of Åland has its own Provincial Parliament.

Regional Government

There are 19 Regions, or Counties, in Finland, with both State and Municipal organisations. The Counties have been the basic geographical and administrative units of Finland since 1634. The 1997 restructuring at regional level established the current Regional Councils and regional policy. There are many organisations operating at regional level, including:

- Regional Councils (Associations of the Municipalities)
- Sub-regional Councils
- State regional authorities
- Universities
- Farmers organisations
- Labour organisations
- Regional Village Associations
- Sub-regional Local Action Groups (LAG).

There is a lack of clarity in the relationship and the role of the regional authorities, which has led some to identify the regional level as the most problematic in the Finnish system. The regional level is very important in relation to the development of regional policy, but it contains many conflicts between State and Municipal levels. There is a big difference between the level of funding to the State regional authorities and the local regional authorities. The Regional Council has planning powers, but limited funds for implementation, and the State regional authority has funds, but few planning powers. The role and structure of the regional level is being debated at Ministry level and work is also being done to try to better integrate national and regional policy.

State Regional Authorities

The State regional authorities carry out tasks assigned to them by the central Government and are funded directly by the Government. This level is also involved in designing EU programmes and administering partnerships.

The State regional authorities are composed of a number of bodies, the most important being:

- The Employment and Economic Development Centres (TE Centres) – promoting business and regional development. These combine the Ministries of Labour and Agriculture. The TE centres also function as specialists and contributors to EU funds.
- 13 Regional Environment Centres
- The district offices of the Finnish Road Administration

Regional Councils (*Maakuntien Liitot*)

See Case Study at the end of this chapter

There are 19 Regional Councils which, according to Finnish law, are coalitions of the member Municipalities, with members appointed from the Municipalities, rather than directly elected. The Councils function as regional development authorities promoting independent and equitable regional development. They are responsible for the planning and implementation of regional policy, as well as for the international contacts for their region. They co-ordinate decision-making concerning Structural Funds and distribute the EU Objective 1 & 2 regional funds. They have their own staff, paid by the Municipalities. Funding is also obtained from the National Regional Development Programme. The Regional Councils have many powers and policy duties, but very limited funding, so must rely on other organisations within the region to implement regional policy.

Sub-regional level

A semi-official but increasingly important level, the sub-regional level acts as a framework for co-operation between Municipalities (eg. promoting business development - about 100 business development companies have been formed by Municipalities). There are 77 sub-regions, defined on the basis of employment and co-operation between Municipalities. Regional development is also monitored at sub-regional level.

The Local Action Groups are also established at a broadly sub-regional level, though at differing geographical scales. The whole of rural Finland is covered by a network of 58 LAGs, linked together at national level by the

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LAG Network Unit of Finland, maintained by the Village Action Association of Finland (SYTY). The LAGs are funded from one of four sources: 25 LEADER groups, 26 ALMA (Rural Development Programme) and Objective 1 groups, 7 POMO – nationally funded groups.

There are some small differences between the types of LAGs – LEADER has additional features of trans-nationality etc., but the function and structure of the groups is similar. The average size of a LAG area is 42,000 population, with a range of 10-90,000. All LAG groups must be composed of 1/3 Municipalities, 1/3 local associations/enterprises and 1/3 local inhabitants (without affiliation to associations). There is no involvement from central Government agencies in LAGs.

The LAGs are a relatively new structure, formed in response to the EU, and have added to the complexity of the regional level. When LEADER first set up there were attempts to give this task to existing local organisations and had all of the Regional Village Associations been formed at the time, they may well have been given the job. The structure of the LAGs has now been established at varying sub-regional levels and is unlikely to change, so systems for co-operation will have to evolve to avoid duplication or conflict. There are discussions about supporting the sub-regional level as an official level in future, connected to the LAGs, which are a central pillar of rural policy.

Local Government

Municipalities (*Kunnat*)

See Case Study at the end of this chapter

There are 444 directly elected Municipalities. The Finnish Municipalities are particularly strong, autonomous and long established bodies, they also make up the Regional Councils. The Municipalities have significant powers and funding. The biggest Municipality is Helsinki with 0.5 mill. people, the smallest has under 200. There is some discussion as to the size of the Municipalities and whether this needs to be increased, with perhaps 2-300 Municipalities in future. There is, however, resistance to amalgamating the Municipalities and fear of loss of local identity,

but Municipalities do often co-operate and specialist tasks are distributed between them.

Municipalities have a dual function, firstly, they are the basic administrative units of the country and, secondly, they are the basic units of local self-government. They play a central role in society by organising most of the welfare services, delivering local (primary) education, healthcare, technical services, infrastructure, housing, social services, cultural and sports and promotion of local economic development.

The Municipalities are responsible for planning and development control, within the legal planning framework set by the Government. The Regional Council ensures that Municipality plans are produced in line with legal requirements and with the regional plan. The Municipality planning functions are divided between whole area and topic plans, including land use and development plans. The latter is mostly focussed on the services that the Municipality is obliged to provide.

Municipal affairs are administered through several Ministries. In principle local government is independent of national government, but in practice the Government has control through funding. The Government sets the basic functions and services that the Municipality must deliver, but the Municipality is free to decide how these should be delivered. It is also free to decide what it delivers, over and above the basic required services, and to contract out any of their services, including to village level associations.

Funding for Municipalities comprises taxation, Government funds and grants from Regional Councils, public bodies and EU programmes. Their main source of funding is a flat rate income tax. The Municipalities take an average 2/3 share of income taxes, 1/3 going to the State. In one Municipality (Mikkeli) this represents 19% of all income earned. Income tax rates are variable³. Municipalities can set their own tax rate each year, but the State rates are common across the country, according to salary level etc. The Municipality has access to other forms of taxation, eg. land tax, but these are relatively minor contributors. They can also take out loans

³ Income tax ranges between 20-40 %

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and apply to the State for additional funds. Funding levels are allocated by Government according to population size and structure, with measures for balancing distribution across the country. In general the funding available to Municipalities is declining, placing stress on services and leading to consideration of new solutions for co-operation.

Villages

The village level is not part of the formal system, though historically it has been very important. There have always been many local associations, focussed on different activities – sports, culture, youth etc. However, the organisation of villages as a complete unit has only taken place since the 1970s. The village action movement started in the 1970s when the formation of broad based village associations was promoted. The intention was to unite the many local interest groups, and to provide a vehicle for the planning, development and voice of the village. There are almost 3,900 village associations now. In many areas, these associations have formed coalitions within the boundaries of one Municipality.

leads it to cut across village interests. There are views that Municipalities are too small, and the number should be reduced.

- The sub-regional level is more organised than the village and operates by different rules, but lacks formal status except for the LAGs and some formal Municipality co-operation. It is still close enough to the villages to enable co-operation.
- The most problematic is the regional level. The area is too big, the people working for it too few, and the organisations are poorly connected. It is also disconnected from the local level. There is a strongly held view that the biggest problems lie with this 'in-between level'.



Summary

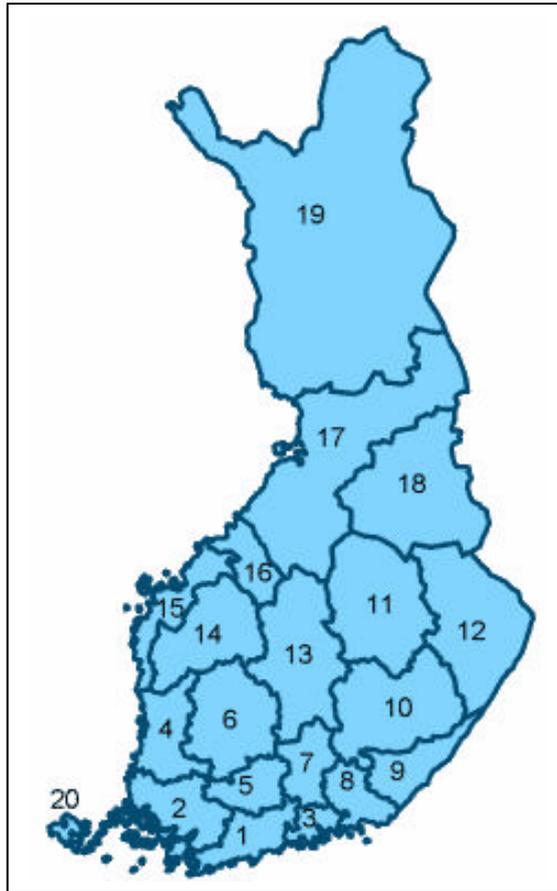
There is a constant national discussion about the appropriateness of different units and levels to different functions. What levels of administration should be invested in? How should they be defined? Which have proved to be the most important and effective?

- The Municipality is the most local level of statutory authority, concerned with service delivery and local planning. It is a party political system, which sometimes

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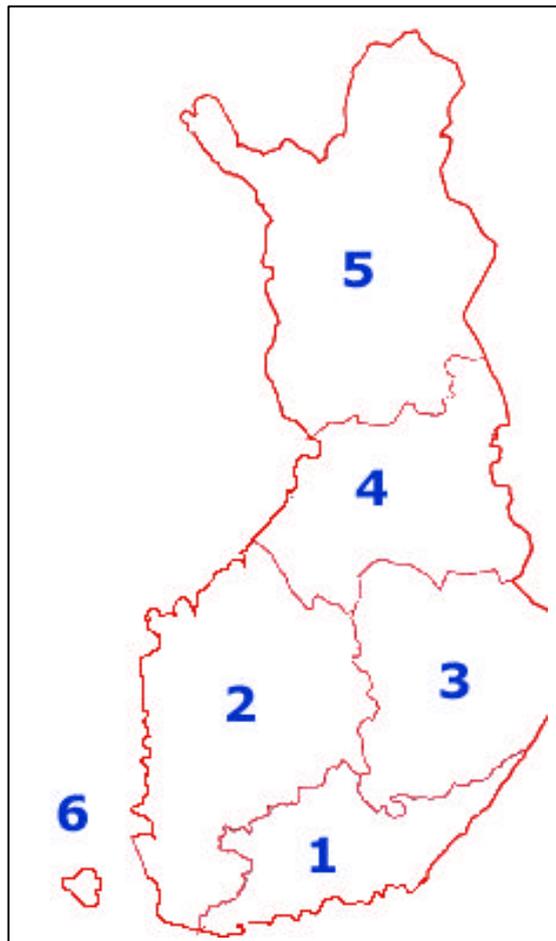
Finnish Regions

1. Uusimaa
2. South-West Finland
3. Itä-Uusimaa
4. Satakunta
5. Häme
6. Tampere Region
7. Päijät-Häme
8. Kymenlaakso
9. South Karelia
10. Southern Savo
11. Northern Savo
12. North Carelia
13. Central Finland
14. South Ostrobothnia
15. Ostrobothnia
16. Central Ostrobothnia
17. Northern Ostrobothnia
18. Kainuu
19. Lapland
20. Åland

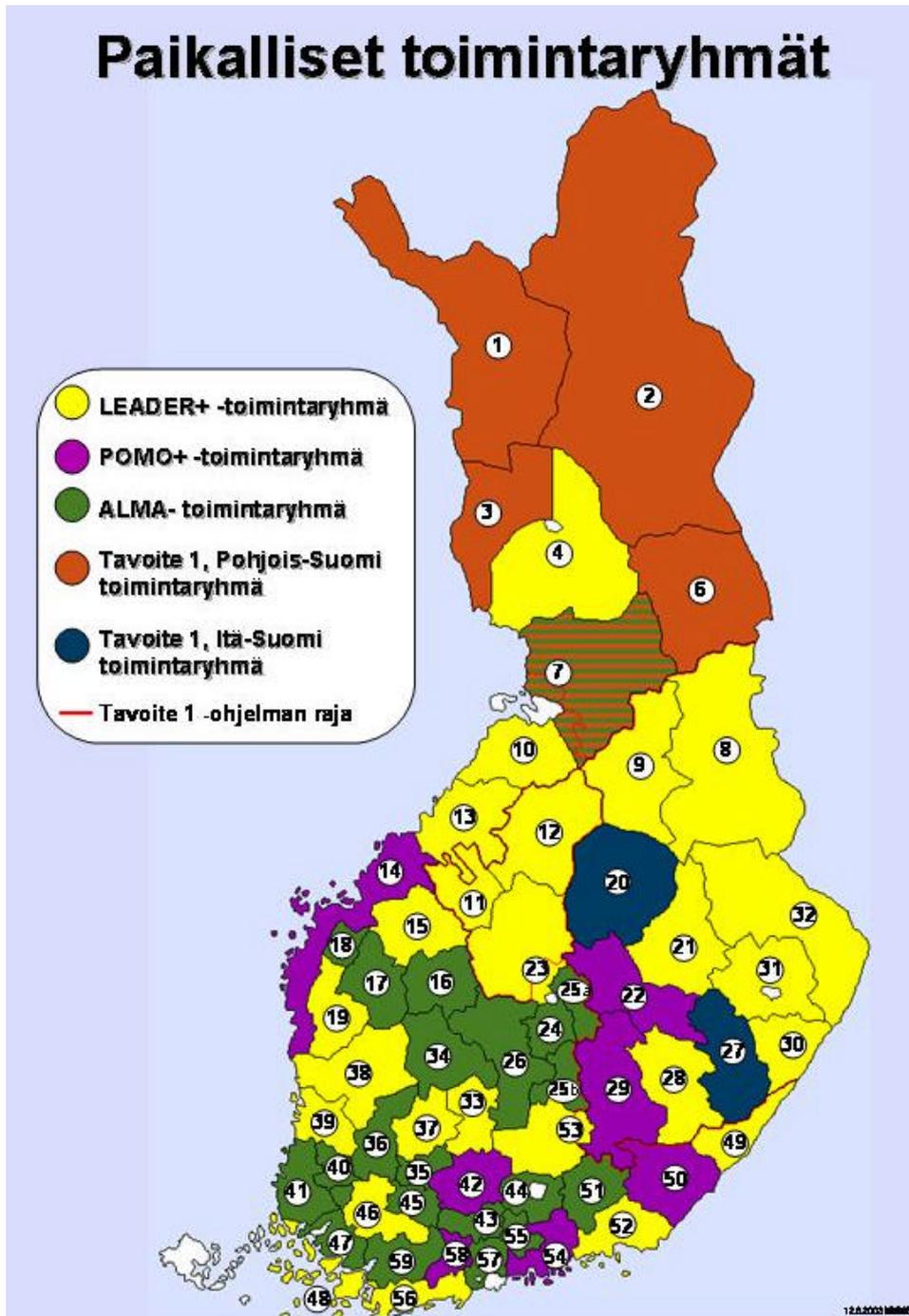


Finnish Provinces

1. Southern Finland
2. Western Finland
3. Eastern Finland
4. Oulu
5. Lapland
6. Åland



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The Finnish Local Action Groups

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CASE STUDY – Regional Government

Regional Council of Central Ostrobothnia

The Region of Central Ostrobothnia lies on the central west coast of Finland. It has over 100,000 inhabitants and 17 member municipalities. There are also two sub-regions, Kaustinen and Kokkola, linked to the Regional Council with offices and staff. The Council has 60 members and 12 board members. The highest decision-making body is the Council, and operations are led by the Board of the Regional Council. At the core of the development of the region lies the co-operation between the Regional Council and its partners: Municipalities, Government, research institutions, business sector, civil sector.

Main activities

- planning and implementation of regional development programme and promotion of regional interests in the national decision making process
- planning of regional structure, land use, community development and traffic
- development of public administration, services and economy
- promotion of business
- promotion of education/ research/ technology and culture/ improvement of human resources

Funding

The work of the Council is principally funded through funding from the Municipalities and from the State National Regional Development Programme.

Functions

Regional development: Monitoring and evaluation of potential effects of new legislation, national budgets, administrative measures, changes in local authority finances and central Government and private sector investments on the conditions of the region.

Regional planning: Regional planning is laid down by Finnish law, and guides regional land use and the location of activities. The regional plan acts as a guideline for Municipal-level plans and other detailed planning of land use. Regional Plans are prepared every 4 years with annual revisions. They must be developed in consultation with other key partners, through an open process. 50-60 local actors and associations are interviewed. The budget determines State funding for the coming period. The Regional Plan has 5 action lines: economy, agriculture and rural development, health, welfare, education.

Education: The Council leads the strategic process for planning educational services. Municipalities are the main actors, implementers and owners, and co-operate through the 'Municipality Association of Education'.

Social welfare: This covers health and social services, which are implemented by Municipalities. The Council of Social Welfare has representatives from all Municipalities, and acts as a forum for planning these services.

Health: There are three levels of health care: clinics – Municipal function; regional hospitals – regional function; university hospitals – national function. The 'Municipal Association of Health Care' is responsible for regional hospitals.

Economic development: The Council has a key role in regional economic development. This includes: forward strategic planning; IT networks; links to industry; human labour and infrastructure resource development; predicting market development and training local people to meet its needs.

EU Programmes: The Council is responsible to the Ministry of Interior for co-ordination and planning of EU Regional Development Programmes but is not responsible for implementation. It builds the strategy, development system and priorities for funding of EU projects and acts as a forum for co-operation between Municipalities.

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CASE STUDY - Municipalities

Mäntyharju Municipality in Etelä-Savo Region

Mäntyharju is situated in south-east Finland less than 200km. on the main rail link north from Helsinki. It has a land area of 1210km², and is known as an area of lakes and forest. The Municipality has a population of 7,000, which has declined steadily from 8,260 in 1980. The recent trend in the area has been for a strong movement from permanent to temporary residents, and the Municipality has 4500 second-home owners, 1500 of which are local families who have migrated. The main challenges are an unbalanced economy, decreasing population, increasing second homes and shortage of funds.

Local employment is based on forestry and other businesses. There is very little agriculture as the land is too rocky. 47% are employed in the service sector, 34% in processing, 17% in agriculture and forestry and 2% in other activities. 440 people are employed by the Municipality.

The responsibilities of the Municipality are determined by law, and include the delivery of the basic services: roads and transport; education (primary and kindergarten); social welfare; health (local clinics); environmental services; technical services; culture and recreation; emergency services. The Municipality is also responsible for local planning, within the framework set by the national and regional plans.

There is current consideration of regional level co-operation between Municipalities in allocating the delivery of certain services to increase efficiency and co-operation and to share resources and expertise.

The Municipality, in 2003, had a total annual income of 163.6 mill. euro. - obtained from: taxes (89 mill euro); Government funding (36 mill.); sales (13 mill.); rents (12 mill.); other (12 mil.).

The Strategy for the Municipality is to develop culture and entrepreneurship as the priorities. Their vision for 2010 is to be internationally known and the most developed community in the region.

Policy priorities include:

- Attracting more residents and using the resources of second-home owners to the full. They have decided to be open to all-comers including refugees, artists and minorities.
- Well-being - public services are proving problematic to provide if the Municipality has insufficient income. This has already lead to the closure of 2 schools.
- A well functioning democracy - open and interactive and responsive to the public.
- A strong cultural life – it has been realised that culture can bring money to the area.

The policy for second home owners is particularly interesting. Rather than regarding these people with suspicion or hostility, they have decided to welcome them and find ways to integrate and involve them in the development of the area. Because of proximity to Helsinki and the natural attractions of the area, the second home owners include many rich people and personalities, who have much to contribute to the areas in expertise and resources.

Activities to encourage new settlers include:

- bringing a train full of people from Helsinki to see the area, leading to 150 people moved in.
- holding a special dance each year to mix locals and second home owners
- organising many events to involve the second home owners.
- include them in the 'parliament'

"This is seen as important in relation to believing in the future. Without these people it would be a much less interesting place with less interesting ideas. They are important to the area and raise its profile and standards". Chief Executive of Mäntyharju Municipality

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Rural Areas

Context

Finland has the largest proportion of rural area of any EU member state, accounting for 98.5% of the total 338,100km². One third (1.6 mill.) of Finland's 5 million people live in rural areas. This does not include the many small towns scattered across the countryside, which would double this figure. Finland is also Europe's most northerly agricultural country⁴.

Most Finns attach great importance to rural areas, and want to see them maintained as living areas, in a viable condition. However, since the 1960's, the rural areas have suffered a continual decline in employment and population. This was related to the corresponding decline in agriculture, and increasing tendency towards urbanisation and centralisation of employment.

Finnish farms are not competitive with farms in other EU Member States and Finland is the State most characterised by small units. The origins of Finland's small farms can be traced to the time of independence and also to World War II. The civil conflict, at the time of independence in 1917, was very much a rural conflict between the landowners and the rural proletariat, many of whom were tenant farmers. After independence land reform took place, in which the tenant farmers became independent, leading to a large number of mostly small units. After the war, 500,000 people moved from Russian Karelia to Finland, requiring further division of farms.

The number of active farms fell from 225,000 in 1980 to 90,200 in 1998. Today this is approximately 70,000 and at the current trend, this figure could be down to 40,000 by 2015. The percentage of the workforce employed in agriculture has also dropped from 10.8% to 5.4% over the same period, it currently stands at 140,000 and is still falling. Farm sizes continue to increase.

The average arable area per unit is 28.9 ha. A typical farm in the centre of Finland has 25ha. of agricultural land. In Lapland and East Finland, the units are smaller, mostly dairy and reindeer in the north, and in the

south the farms are more mixed and larger. Forestry is an integral part of Finnish farms, with forest land accounting for an average of 43% of each farm, and 62% of forests being owned by individual private owners. The conditions and growing season also differ markedly from north to south, with the north being snow covered for up to 7 months, and the south 4 months.

The Finnish timber industry has been called the 'green gold' of Finland. This has fuelled a substantial part of Finland's economic development. However, this too is changing and, due to the high cost of home-grown timber, the industry is increasingly moving to cheaper raw material sources in Russia, Brazil etc. In 1930, 90% of Finland's net export was timber, in 2003 it was 40%.



The effect of the EU subsidies has been identified as producing a non-entrepreneurial approach to farming. Finland has increasingly utilised EU Structural and Community Funds to help offset the effects of agricultural decline. Less Favoured Area (Article 141) status is seen by the Ministry of Agriculture and Forestry as critical to much of the country, and is negotiating with Brussels to try to make this permanent. The view is that without it, agriculture in Finland will become impossible.

The central problem of the countryside is how to attract new people and new skills. Diversification of rural employment is a key issue, emphasised by the agricultural unions. Farmers are increasingly diversifying into tourism, food processing, machinery hire, transportation, health care services etc. Teleworking is important for rural areas and the installation of Broadband is a key issue, requiring Government support for the remoter areas.

⁴ 'Agriculture in Finland' – Ministry of Agriculture and Forestry, 2000

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Despite the rapid decline in the importance of agriculture for the rural economy, a disproportionate amount of public funds are still being used to support it. It is this situation that Finnish rural policy is trying to address.

Rural Policy

Finland has developed a clear strand of rural policy, which is recognised as an example of good practice in the EU. It has been claimed that integrated rural policy is more important in Finland than in practically any other EU country. Rural policy is developed by the Regional and Rural Unit of the Ministry of Agriculture and Forestry, through the Rural Policy Advisory Committee and Theme Groups. The policy is contained in the Rural Policy Programme⁵, which is developed for 4-year periods. The first Rural Policy Programme was operational from 1991 and the third and current is for 2001-4. The 4th rural programme is under preparation at the time of writing.

Administration

The Rural Policy Committee

Finnish rural policy is developed through the Rural Policy Committee (RPC). The RPC is appointed by the Government, and works under the Ministry of Agriculture and Forestry, but is a co-operation group of various sectors of administration. It comprises 21 members representing 9 Ministries, regional administration and expert organisations, including trade unions and universities. Some members of the Village Action Association Board are also working in the Secretariat of the Rural Policy Committee. Most notably, the Secretary General for the Rural Policy Committee is also the President of the Village Action Association (SYTY).

The Theme Groups

In addition to the Rural Policy Committee, 300 people from across the rural sectors work in 12-15 Theme Groups. This enables negotiation with many actors. The Theme Groups survey issues in their sector, draw up a development plan and are responsible for its implementation. Theme groups are active

at both national and regional levels and include: women, welfare, nature, peripheral areas, culture, rural-urban interaction, second homes, youth, food, forestry, tourism and training. These groups were referred to as the most important part of the process. They enable development of diverse rural policy and cross-sectoral learning. Many people from the Village Action Association are involved in the Theme Groups.

The Rural Network

Whilst the Rural Policy Committee is very effective in developing integrated rural policy, there are still big problems in linking this to the programmes of the 13 Ministries. Only 2 Ministries have a real involvement – the Ministry of Agriculture and Forestry and Ministry of the Interior. It has also proved to be very difficult to involve politicians from the different parties in rural policy. Efforts to get members of the Rural Policy Committee from political parties were blocked, effectively placing the Rural Policy Committee outside the political system. This has caused problems, so in an attempt to begin to tackle these issues, a Rural Network of Members of Parliament has been established in 2003. Out of 200 MPs, 78 have signed up to the network from across the parties. This gives a direct line to Ministers. The network meets 2-3 times per year, and receives information on-line. The RPC uses the network to help to inform and influence MPs across the parties. The intention is that in the new Government there will be a group of Ministers who will take a stand on rural issues, and who understand that rural is more than just agriculture. Public opinion also values rural areas, and this is an increasing trend. The Ministries will have to take account of 'rural proofing' in their policies in the future, if rural policy is to work.

The Rural Policy

The development of rural policy in Finland was described as a 'conscious choice'⁶, the policy relates to the 'will to change things'. This was seen as a clear progression from the concept of rural development, which tends to be less dynamic. The concept of 'rural policy' is accepted in Finland now, but was not in the past. 'Rural development' was

⁵ "Countryside for the People – rural policy based on will" – Rural Policy Programme for 2001-4

⁶ Eero Uusitalo, Secretary general of the Rural Policy Committee (pers. com)

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the more usual focus without an understanding of the need for a corresponding rural policy. This has been changing since the 1980s and rural policy is now a clear component of Government policy. This parallels a growing consciousness in the EU generally, where the concept of rural policy is increasing in emphasis, in part in response to pressure from countries like Finland.

The justification for having a distinct rural policy is based on the:

- special needs of sparsely populated areas
- national benefit from better utilisation of the production factors of rural areas
- national cost of migration and the consequent need to balance centralising forces
- need to broaden the sectoral view of rural development
- implementation of equal rights for rural people, as per the Finnish constitution
- potential of rural areas to address sustainable development
- importance of rural areas for environment, culture and recreation

The process of rural policy focuses on rural development across the different administrative sectors at local, regional and national levels, and draws together public and civil interests. The horizontal, cross-cutting arrangements of the Rural Policy Committee are useful in identifying issues across the powerful Ministries, though this is still a difficult area. The Government has realised that so many issues are cross-cutting that they will need to work more across the sectors.

The definition of rural policy, since it began in 1991, has been: *“Rural policy refers to all the objects and measures aimed at improving the position of the rural areas in the society and regional structures. It is a policy based on the special characteristics of the regions. The objectives are to improve the viability of the rural areas, alleviate the structural problems, improve the livelihood of the residents and functioning of the services and communities, and to strengthen the*

*competitiveness and attractiveness of rural areas as places of entrepreneurship.”*⁷

Rurality - rural policy recognises three types of rural areas:

- urban-adjacent, where emphasis is on increasing urban-rural interaction
- rural heartland, where the emphasis is diverse, depending on the situation
- peripheral, where the emphasis is on recognising particular strengths

Priorities - rural policy is constructed around 5 permanent priorities:

- Reform of economic activities
- Development of know-how and human resources
- Strengthening the existing service network
- Improving the quality of residential environments and community structures
- Sustainable utilisation of natural resources.

Focus - Rural policy is organised around two core, cross-cutting strands:

1. **Broad rural policy** – targets the actions implemented in and through the different administrative sectors, at the different geographical levels. It aims to influence the many administrative and policy sectors to “to reinforce the preconditions for maintaining the viability of the rural areas and to cause as little damage to these as possible”⁸. It stresses the importance of strengthening the regional level of decision-making, and of national administration monitoring the impacts of their decisions at regional level. The delivery mechanisms for broad rural policy include:

- The Rural Policy Programme
- Influencing the different policy sectors (employment, welfare, environment, industry, agriculture, taxation, communications, community planning and housing)
- Influencing the rural policy of the central administration

⁷ “Rural Policy in Finland 2000-2006” - Eero Uusitalo (2002)

⁸ “Rural Policy in Finland 2000-2006” - Eero Uusitalo (2002)

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2. **Narrow rural policy** – focuses on the measures and tools targeted at rural development, both EU and national. It aims to strengthen the delivery programmes of rural development. It takes the EU principles of integration, horizontal co-operation, partnership and subsidiarity and advocates rural policies based on the special characteristics of the regions, co-operation across sectoral boundaries and extensive partnership and participation. It also focuses on improving the local and sub-regional pre-conditions for action, including the Municipalities, villages and enterprises. The delivery mechanisms for narrow rural policy include:
- EU Objective 1, 2 & 3 programmes
 - Regional Rural Development Programme
 - LEADER+ and other Finnish LAGs
 - Theme Groups of the Rural Policy Committee
 - Funds for rural research and development

These are assessed across different levels of the society and different types of rural area.

The key themes emphasised in the current Rural Policy Programme are:

- The wide range of economic activities in rural areas and the diversification of rural industries
- The opportunity to use information technology being available to all
- The development of an environment for innovation
- Multifunctional agriculture and pluriactive farms
- The connection between culture and development
- Reducing the differentiation of Municipalities, as the main providers of welfare services
- Securing water-tight development systems in Municipalities, villages and sub-regions
- Justice and equality between regions
- Rural-urban interface and harmonisation of rural and urban policies
- Rural policy as a permanent and cross-sectoral activity

Budget - The Rural Policy Committee, through the Ministry of Agriculture and Forestry, has a budget of 3.3 mill. euro for

undertaking research and development projects. This funds between 70-80 projects a year, with 1/3 to research and 2/3 to development.

Roles in Rural Policy

Leadership

One thing that is unique to the Finnish situation is the close connections fostered by the role of one man in rural policy. The Secretary General for the Rural Policy Committee is also the Secretary of the Rural Network and President of the Village Action Association. This person has been referred to as the 'father of rural development' in Finland, and is acclaimed for making rural policy into an issue in the country. This critical link has undoubtedly accelerated the pace at which rural policy, and the position of the Village Action Movement has moved forward.

The Ministries

There is interest in and growing commitment to rural policy, however, its complexities and cross-sectoral character make it difficult for politicians who are used to responding to sectoral Ministries. There is no rural Ministry per se, and all policies have to be implemented by different Ministries or bodies. Rural policy has two strong Ministry legs, one in the Ministry of Agriculture and Forestry and another in the Ministry of the Interior, but its impact in the other Ministries is still weak. The extent to which rural areas feature in the policies of other Ministries was described as 'a black hole', and it is difficult for those engaged in rural policy to move this forward. Even in the most supportive Ministry, the Ministry of Agriculture and Forestry, of the 460 people working in the Ministry, only 20 are working in the rural unit and over 200 in agriculture.

The Regions

The influence of the EU Structural Fund programmes is that existing strategies must be co-ordinated at regional level. However, it was said that there is no real will for a rural policy (as distinct from regional policy) at regional level. Finnish regional policy is horizontal, between Ministries, and regional in focus. This is reflected in regional policy. The rural dimension is not well catered for in the regional structures and there are difficulties in getting rural planning to work on a regional

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level. The regional level is complex, with no one body with any real power and money. Nor is there a clear vision as yet for the regional structure in Finland in the new millennium. Some believe in a Finland of regions, with a dispersed policy. Others believe a concentrated system is essential to be competitive.

Regional planning is implemented through the Regional Councils, in consultation with Municipalities and key social partners, within the framework of priorities defined at Ministerial level. The State regional bodies are not consulted, though the plan should be coherent with all existing State strategies. It was noted, by regional village associations, that it is still very hard to influence regional policy and local organisations must be very assertive in lobbying rather than consultation. The Finnish system is said not to be traditionally consultative, and officials are not trained in how to involve local level actors.

The Municipalities

The role of Municipalities is increasingly difficult. Public funding has been declining since entry to the EU required lower taxes. The emphasis is now on the 'welfare society' not on the 'welfare state'. This has a big effect on the capacity of the Municipalities, whose core functions relate to service delivery. Municipalities play a key role in the planning process. However, most do not recognise a specifically rural component of their plans, largely due to the small scale of their areas. Municipalities are a source of local match funding for EU projects, but as this amounts to only about 10%, they have no real power.

The Village Action Movement

The Village Action Association of Finland is part of the integrated rural policy network, but it is not the only rural actor. The National Village Action Programme forms one of the foundations for the National Rural Policy. The Secretary General of the Rural Policy Committee stated⁹ that the focus on the perspective of rural residents, provided by the Village Action Movement, has stimulated the theoretical framework for rural policy. This has introduced a new way of thinking about the diversity of population.

⁹ Eero Uusitalo, Secretary General of the RuraPolicy Committee (Pers. Com.)

The EU Programmes

Finland is very aware of the increasing importance of the EU in determining policy, financing and economic development. The role of EU Programmes in the implementation of rural policy is emphasised in the narrow rural policy, and careful thought has been given as to how this is undertaken in a way that adds maximum value locally. For the purposes of this study, the most important aspect is the mainstreaming of LEADER across the whole country, through the mechanism of local action groups (LAGs), and utilisation of various funding streams. The LEADER approach has been recognised as appropriate and important enough to become a permanent part of Finnish delivery system. The LAGs are a central plank in rural policy. This has created a 'sub-regional' level in the administrative structure.

58 LAGs¹⁰ operate under LEADER+, Objective 1, ALMA (Rural Development Measure) and the national POMO programme. It is estimated that LAGs will have channelled a total sum of 340 mill. Euro to the development of their areas by the end of the current programme period in 2006, money which would not have been available for rural development previously. As an example: the largest (POMO) LAG is receiving 3 mill. euros/ pa. Government funding. This is 50% of the total, the other 50% is from private (30%) and community (20%) sources. Municipalities must cover 20% of the public funding.

Much of Finland is currently covered by Objective 1, but there are doubts as to whether this will continue beyond 2006. A compromise is being sought for the north of Finland with north Sweden, with the rest of the country covered by LEADER and POMO. The Rural Development Programme covers 8% of whole rural programme, this is higher than in other countries due to the structure of Finland, with its relatively high proportion of rural area and low population density.

500mill. euro will have been channelled into rural development through EU programmes to 2006. The Finnish rural areas, during the 2000-2006 programme period, are benefiting from the following programmes:

¹⁰ See Map below

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Programme :	Area of application	Mill. Euro	Responsible Ministry
Objective 1	Northern and Eastern Finland	913	Ministry of the Interior
Objective 2	Southern and Western Finland	489	Ministry of the Interior
Objective 3	All of Finland	403	Ministry of Labour
FIFG Fisheries	Outwith Objective 1	32	Ministry of Agriculture and Forestry
Regional Rural Development Programme	All areas outwith Objective 1	388	Ministry of Agriculture and Forestry
Leader+	26 out of the 58 LAGs	52	Ministry of Agriculture and Forestry
POMO+	7 out of the 58 LAGs	15	Ministry of Agriculture and Forestry (*)
Interreg		129	Ministry of the Interior
Equal		68	Ministry of Labour

(*) = national money, no EU funding

<i>Objective 1:</i>	<i>Promotes the development and structural adjustment of less developed regions.</i>
<i>Objective 2:</i>	<i>Support for the economic and social conversion of areas facing structural difficulties.</i>
<i>Objective 3:</i>	<i>Support for the adaptation and modernisation of policies and systems of education, training and employment.</i>
<i>FIFG</i>	<i>Support to improve the operating conditions and skills of the fishery industry</i>
<i>RRDP</i>	<i>Promoting the strong development of core rural areas and remote rural areas, focus: agriculture & forestry, diversification, development of rural communities.</i>
<i>LEADER+</i>	<i>Support for diversification of the rural economy, experiments with new ideas and increasing co-operation.</i>
<i>Interreg</i>	<i>Supports trans-border, trans-national and inter-regional co-operation</i>
<i>Equal</i>	<i>Supports trans-national testing of new ways to combat discrimination and inequality in the labour market</i>

After 2006 it is recognised that there will be a reduction in EU funds. This will be addressed in the next Rural Policy Programme in terms of the national structure, probably giving wider responsibilities to the LAGs.

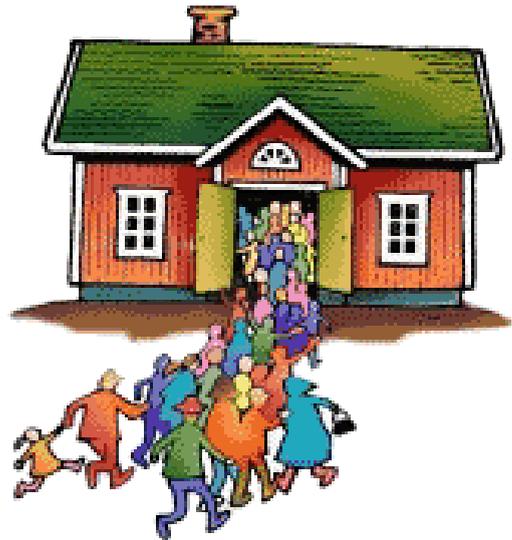
Conclusions

Despite the achievements, there are still many problems to be addressed in rural policy. The relationship between place and party politics is problematic. The former requires an integrated approach, but the political tradition is sectoral, with little competence in political parties to handle integration. Rural policy is inevitably a complex matrix of sectoral policies. The Ministries are very powerful, producing a very sectoral and bureaucratic system, which is not seen to be responsive enough to changing circumstances. The structural questions at the regional level will require rationalisation in order to reduce confusion and enable better integration of policy.

Despite these challenges, the rural policy system in Finland is still ahead of many other countries, and has many achievements to record. The preceding Rural Policy Programmes have succeeded in achieving most of their target actions. The rural policy approach is attributed with having strengthened local actors and improved direct lines of communication between the local and national levels. The horizontal linkages at each level are much stronger. Awareness of rural issues is greater and the political parties have all revised their rural policy programmes, listing many of the ideas from the Rural Policy Programme.

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The Village Action Association of Finland Suomen Kylatoiminta ry (SYTY)



History¹¹

"We are not willing to regard economic values as more important than the quality of life. We don't believe in development through centralised structures for decision-making and services. Instead we believe that people should control their own lives. We are particularly happy if our movement can be an encouraging example for rural people in both the industrialised and developing countries to demonstrate that vibrant rural life is not inconsistent with development." SYTY 1995

Finland is often quoted as the first of the village movements, though in reality, the Danish movement started at the same time, in 1976, though in a different way. The Finnish village movement is much older than the present organisation, SYTY, and has been through several stages in its development. The key events are summarised below:

1960-1970s	Rural depopulation
1965	First village action groups started to form
1960-80s	Village action groups set up at an exponential rate
1973	Energy crisis
1976	Prof. Lauri Hautamäki, launched project – Village Action 76
1981	National Organisation for Village Action started
1988	European Council's rural theme year – start of 'All Finland Shall Live' campaign
1989	First regional organisation formed – in Lapland
1990	Over 3000 village committees formed
1994	Legislation for programme-based rural development
1995	Finland joined the EU
1996	Leader II started
1997	SYTY formed
2000	Last of the regional village associations formed
2003	3,900 village committees and other village level associations formed, 2,200 of them are registered as associations

¹¹ Information for this section provided in interviews with: Eero Uusitalo, President of SYTY, Torsti Hyyrylainen, University of Helsinki and Iiris Jurvansuu, board member and former General Manager of SYTY

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Origins

The origins of the village action movement in Finland stem from the severe period of rural-urban migration in the 1960-70s. In the mid 1970s there were signs of a movement for rural revival, and a number of village committees formed spontaneously during this period. The energy crisis of 1973 also shook faith in the Finnish development model and was a catalyst for village movement¹².

In 1976, Professor Lauri Hautamäki, from the University of Helsinki launched the project 'Village Action 1976'. This was led by the universities, in partnership with the Federation of Municipalities, the regional authorities and associations. The Professor described the idea of Finnish Village Action, and put forward the view that special tools were needed for rural areas, which differed from those for urban areas.

The village committees

*"The village committees are an expression of small-scale collective action over individualism"*¹³

Prof. Hautamäki advocated the need to establish a new type of rural organisation – the **village committee** – in order to coordinate the increasingly scarce human resources of villages. This argument was the main driving force that convinced villages. Most villages had many local groups tackling different issues, with many of the same people involved in them, but there was no overview. The purpose of the village committee was to provide **co-ordination** and to focus on the **development** of the village as a whole. Hautamäki travelled the whole of Finland making speeches in every region and in many villages. Following this, the number of village committees started to grow and many were established in the early 1980s. At this point they were mostly informal, unconstituted groups. The villages were reluctant at first, often it was just a small group of interested people who started an informal group, but once people began to see

the success of the group's activities they began to support the idea. Many village committees were set up around key issues, preserving the village school, post office etc. and were initially pressure groups.

The first village committees were formed in 1965. By 1990 there were 3000 village committees. In December 2003 there were 3,935. The slower rate of growth in the 1990s, is probably a function of saturation as there are only about 4-5000 villages in Finland and many committees include more than one village. These committees involve about 40,000 people directly and many more indirectly.

Prof. Hautamäki also advocated that village committees should become legally constituted and that village and municipal planning should be integrated. There followed a move to persuade the village committees to establish themselves as legal entities – **village associations**. This was seen as critical in order that they could use public money. There are now 2200 legally registered village associations, and the number is increasing rapidly.

The first national organisation

In 1981, Prof. Hautamäki formed the first national organisation: the 'National Organisation for Village Action'. This was not a bottom-up organisation however, it was an 'association of associations' (a rural forum). The members were not village committees, but large NGOs with a rural focus (the Association of Finnish Agricultural Producers/ Association of Finnish Municipalities/ Association of Finnish Local Journalists etc.) Individuals and village committees could not be members and no politicians or political parties were involved. It was more of an open discussion forum for the different associations working in rural areas.

This model was very much criticised by the village committees, and there was conflict about whether to form an independent organisation or not. Prof. Hautamäki has since said that this was the only way it was possible to set it up at that time. The large, older NGOs were very powerful, and did not want a new organisation, which was seen as a threat. These organisations would have been hostile had they not been included in

¹² Torsti Hyyryläinen, University of Helsinki (pers. com.)

¹³ Creating Common Unity – Friends of the UN 50th Anniversary awards

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the association, which would have been counter-productive.

1988 was the European Council's rural theme year. This helped the process to become more organised. This was also the start of the 'All Finland Shall Live' campaign, which was the reason that linked to the corresponding development in Sweden.

1989 was the start of a difficult period for Finland, and the start of the economic depression. It was also the time when the Soviet Union collapsed and Finland lost its Soviet market. 1989 also seemed to be a turning point for the village movement. Prof Hautamäki published a book on the village action movement in 1989, and stated that this marked the end of his research into village action. At this point the second key figure in the history of the movement took over, and is still critical to the movement. Eero Uusitalo, a rural sociologist, and the first in the movement to be active at a political level, had started his work on rural development in the late 1980s and was previously active in the Finnish Association of Municipalities. This marked a new direction in the development of the movement.

Regional village associations

In 1989 the first of the regional level village associations was formed in Lapland – 'The Village Forum of Lapland'. Lapland already had many village associations, and wanted a regional association to help overcome their isolation. The next regional association was set up in 1991. However, regional associations could only form where there were enough village action groups and no other similar regional organisation. Nine were formed before the present national association, SYTY, was set up in 1997. A further ten were set up after SYTY was formed as a result of further promotion, the last of them in 2000. There are now regional associations in all 19 administrative regions of Finland.

The formation of regional associations was in part a result of local activists realising that the EU works with regions. In 1994 the Government passed legislation for programme based regional development, in anticipation of entry to the EU. This made it clear that expenditure would be linked to

regional planning. It was felt that the village movement would need to be organised at regional level to work with this, and to avoid the villages being in a weak position. This was seen as more important than the national level.

The Village Action Association of Finland – SYTY

In 1997 SYTY was formed as a constituted national NGO. This time, membership was open to regional and village level associations. This organisation replaced the 'National Organisation for Village Action'. The national organisation was also motivated by Finland's entry to the EU. It was realised that it would be difficult to stimulate sufficient activity at local and regional levels without a strong body at national level. The village movement was also building itself to be able to work effectively with the new tools provided by the EU Programmes, and to benefit from these.

In the words of the Chairman, *"The national association was formed in order to integrate sectoral interests, at local and national levels, to strengthen the involvement of village people and to bring their interest groups together. If we wanted to get support for these village groups we needed a body that was fighting for this at national level."*¹⁴



Eero Uusitalo – Chairman of SYTY

¹⁴ Eero Uusitalo – Chairman of the Village Action Association of Finland - pers. com.

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Structure¹⁵

“Village action is local, self-initiated development work carried out by village residents to strengthen the livability, comfort and village identity in their own home region. Village action gathers residents together regardless of profession, age, gender, political view, leisure activities or whether one is a permanent resident, newcomer or leisure resident. Village action represents local democracy and local initiative at its best.”¹⁶

“The Village Action Association of Finland works towards developing the Finnish countryside and strengthening the vitality and possibilities of influence of villages and resident communities. This helps to create opportunities of employment and livelihood for village residents.”

The village movement in Finland is structured at 3 levels, there are currently:

- 1 national village association (SYTY)
- 19 regional village associations
- 2,200 registered village associations

The National Village Action Association (SYTY)

Mission

“The Village Action Association of Finland is the villagers’ voluntary co-operation organisation which aims to develop the villagers’ living standards. The objective of Village Action is to develop the village as a functional community in which living and residing is pleasant”

The aim of SYTY is to ensure the inhabitants have:

- employment and a satisfactory livelihood
- an enjoyable environment
- humane and social well-being
- adequate services within a short distance
- opportunities for leisure activities also for temporary/ holiday inhabitants

- a concrete opportunity to influence their own future and the future of the surrounding areas.

The role of SYTY is the co-operation association for organisations which promote village action and for village and city district associations, it:

- is a core advocate for neighbourhood democracy in Finland
- promotes the villages’ voluntary and locally driven activities
- establishes national development projects for villages
- deepens the interaction between the rural and city populations
- contribute to citizens and decision-makers positive attitudes and actions towards village development
- offers network services to the 58 ‘rural development societies’ LAGs (LEADER/ POMO/ Objective 1/ Regional Rural Programme)
- gives education, advice, information on village action and examples of beneficial operation modes. Newsletter and web-site
- supports international village co-operation

Membership

The national organisation, SYTY was founded in 1997 with 37 members. It now has 134 members:

- 20 national level organisations which pursue local development activities
- 19 Regional Village Associations (All)
- 58 Local Action Groups (All)
- local village and citizens associations
- sponsoring organisations (Post Office and 2 trade companies)

Through its constituent members SYTY reaches 4000 villages and their 3 mill. permanent and 1.7 mill. part-time inhabitants.

When SYTY was founded, the constitution allowed for local, regional and national associations to be members, but not individuals. This is still the case, but since the regional associations have been set up, village associations tend to belong to the regional associations and SYTY is more of a forum for the regional and national associations working with rural issues.

¹⁵ Information from papers and personal communication with the SYTY staff and board members

¹⁶ ‘All the Power of a Small Village’ – the National Village Action Programme 2003-7

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Board

SYTY has an elected board of 10 people, plus the Chairman. There are also 10 vice-members, one to substitute for each board member as necessary. All are invited to attend each meeting.

The Board is elected at the annual general meeting, according to the following principles:

- One third to represent national organisations (mostly NGOs)
- One third to represent regional village associations
- One third to represent other rural development organisations (with the priority on LAGs)

One member must represent the Swedish speaking minority

Each member is elected for 2 years, with one half standing down each year.

Staffing

11 people currently work for the central organisation SYTY, mostly full-time. This includes the General Manager and a range of project based staff.

Each of the 19 Regional Village Associations has an office and paid employee.

Funding

The annual turnover of SYTY in 2003 was 770,000 euro, including projects.

The funding came from:

- 20,000 euro from membership fees - There are 3 levels of membership fees.
- 120,000 euro from the Government (inc. 53% to regions) - 2003 was the first year that SYTY received Government core funding from the Ministry of Agriculture and Forestry. This was the result of a long campaign for public funding, and they are looking to increase this in the future.
- 620,000 euro from project funding - Most of the funding comes from different projects, and most of the staff are engaged through project funding. The EU Equal Project is currently an important source, through with the staff of the Regional Associations are paid. The Ministry of Labour is co-funding this, and the Farmers Union is underwriting it. SYTY funded also funded by the Government as the national LAG Network support unit.

National financial support to NGOs is diminishing overall. SYTY has had a long hard fight to get core funding in 2003, it has

taken 6 years to achieve this. The support finally came through a special parliamentary initiative. The 120,000 euro. is not seen as enough, and there is pressure on the Government to increase this. This level of funding bears no comparison with the 10 mill. Swedish Krona paid by Government to the Swedish village movement. There is however concern that Government money will not come without strings.

SYTY is currently working on a study to identify ways of making the organisation more self-financing and sustainable. One issue under consideration is the possibility of establishing a foundation for the support of rural development.

The Regional Village Associations

There are 19 Regional Village Associations, operating in all of the Finnish administrative regions. These are independent NGOs, operating in association with SYTY at national level. Each regional association is an organisation in its own right. It is not a branch of SYTY. This is not a hierarchical structure, it is an organised forum for co-operation between villages and those concerned with their development.

The idea of the regional associations is that they can work with the regional authorities, EU programmes and other organisations working on rural development at regional level. SYTY has promoted regional associations as it has limited capacity to work for the local areas across the country, and needs the regional level flexibility and responsiveness. It sees it as the role of the regional associations to do this work, whilst SYTY concentrates on the national functions, networking and co-operation.

There is no typical regional association, each has its own constitution and structure. Each is different because of the different history, village culture and organisations that exist at regional level. When a regional association is established, it is done so through the village associations. Only 3 members are required initially to set up a regional association. But each regional association has established its own rules.

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The membership of the regional village associations is different in every region. Mostly it is made up of the local village associations. Village focused topic based associations can be members. Individuals can represent villages that are not registered associations. In some places the municipalities are members. In some places the other rural development associations may be members. Members of a regional association must themselves be registered bodies.

The Village Associations

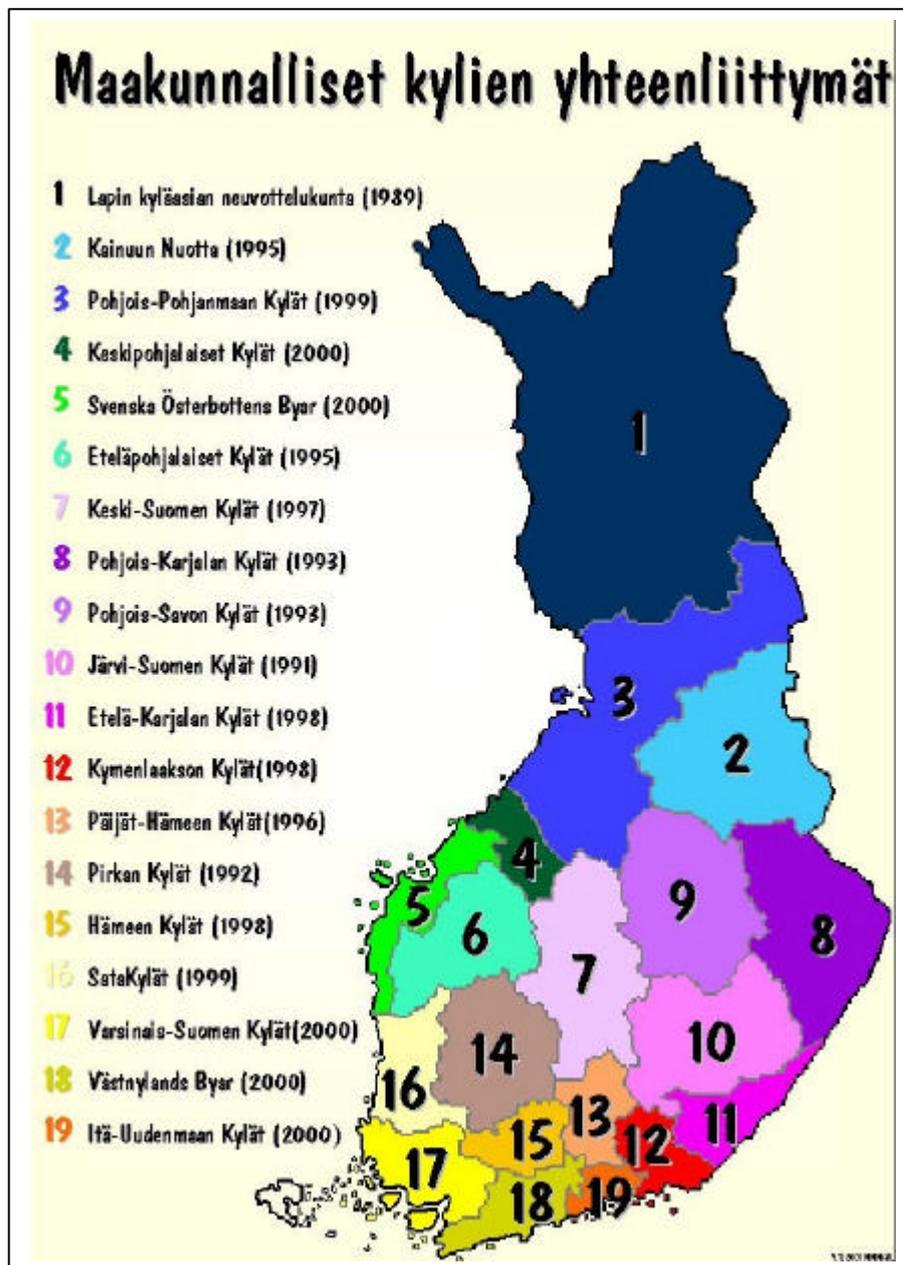
A questionnaire was recently sent to all the regional associations to update the picture of how many village associations exist in

Finland. This confirmed that there are:

- 1543 registered village associations
- 645 other registered local associations with village activities
- making a total of 2188 registered associations
- 1747 non-registered village associations
- overall total 3935

There is also an increasing tendency for village associations to form coalitions within and across Municipality borders, in order to work with the Municipality, or on wider issues.

The same study also confirmed that about 3 mill euro per year have been spent through these associations.



The Regional Village Associations

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CASE STUDY – Regional Village Associations

South West Finland Region

Situated in the far south-west of Finland, within easy reach of Helsinki, this is a fertile, wealthy and well populated region of Finland. The regional centre, Turku, is the oldest university town in Finland and was once the capital city. This is the best agricultural area in Finland with good farms. The archipelago is the only difficult area, with many transport problems. There are 56 municipalities in the region. In the 1970s there was full employment in the region, but in the 1990s unemployment became an issue and since 1999 only 20% of the jobs have been traditional permanent jobs, with many people working on short term contracts and in the private sector.

Because of the relative wealth of the region, there is not such a strong community culture as in other parts of Finland. Originally the villages were strong communities, but now many people work in the towns. It was said that asking for 'Talykoot' – volunteer labour – may be considered a source of shame, whereas in other regions it is the mainstay of the communities. It was estimated that 3-4% of total employment in the region is organised by the village associations, and 6-7% of the social economy.

The Regional Association of South-West Finland has been established since 2000, and is one of the youngest to be formed within the Village Action network. The reason given for this is that those in the more needy regions were given priority. The Association is staffed by a part-time Co-ordinator who is also working half-time for the ALMA funded Local Action Group (LAG). The Board of the Regional Association meets 3-4 times a year in addition to specific project meetings. To date 290 villages are connected to the Association, and it has already developed a regional village programme.

There are 160 village associations in the region, 100 of them legally registered, and 30 other associations that are working like village associations, for example farmers associations, but with a role as village developers. Only legally registered associations can get money from the LAG.

The role of regional association in this area consists of:

1. identifying the needs of the communities
2. disseminating good practice - organising seminars etc.
3. linking individuals with project ideas and linking with village associations to get funding.

The role of the Co-ordinator is: firstly to provide information and to promote the potential of what people can do in their own villages, and what others have done; and secondly to provide support for the development of village plans. Only 20 have been produced so far as many villages don't wish to spend the time on them, or find it difficult to decide what to do. The SW Finland Region was described as 'actions speak louder than words'. The Co-ordinator sits on the national group developing the National Village Programme.

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CASE STUDY – Village Associations

Eskola Village Association

Eskola Village is situated in Kannus Municipality in Central Ostrobothnia. It is not a typical village as many people came to live here in the 1920-60s due to the installation of a small railway for transporting timber. Since 1960 the population has reduced from 1000 to 500, many of which are older people.

Village association started in 1982 and in 2001 Eskola was elected Finnish village of the year. Almost all residents are members, and the board of 12 is elected annually. It was one of founding members of the Regional Village Association. The association has undertaken many successful projects:

In early 1980s they decided to build housing for elderly, and to convert the old train shed into a service centre for them. This centre is now a community meeting place, with facilities for the elderly, and a person employed to prepare meals. The facilities of the hall are also free to all locals for woodwork, weaving, pottery and craft workshops, sauna, library and laundry. The centre is run by a separate community enterprise, which collects rent, makes contracts with the Municipality and sets up classes and study circle contracts.

The creation of the community centre had a positive effect on local industries, and several young families moved to the village. The number of pupils in school doubled from 30 to 60. There was also a need for childcare, so two flats were made into a kindergarten for 12 children. Facilities for young people have also been created, connected to the school and an after-school club established.

Many local projects and events have been based on the history of the village, including a photo collection of 600 pictures about the history of the village has and a village history book. Much work has gone into developing the old railroad into local facilities and activities:

- 'Night walking' events along the old railroad path, with re-enactments of past events en route
- In winter dog sledges run along the old railroad. Tourists come to these events and it is planned to give training in dog-sledge driving.
- Anything that related to the railroad has been collected for a museum. The old engines could not be found, so they went to Russia to buy and repair one. 50m. of old railroad was rebuilt to demonstrate the train.
- A 12km. nature trail, with watch towers for bird-watching was built, also using part of the railroad.
- A large swimming pool was dug in sand to collect ground water.

Lake cleaning is a major activity in Finland. In 1996 the village re-instated and cleaned their lake at a cost of 70,000 Euro, 25% from the Municipality, 50% from the Environment Agency and 25% from village (*Talykoot*)

An open-air theatre was completed in 2003 and opened by a play, written and performed by the village. The budget was 44,000 Euro: 25,000 from EU agriculture funds, 10,000 *Talykoot*, the rest from the Municipality.

Other projects include:

- Upgrading an old building for a drama centre
- Putting in street lights
- Building a runway for small private planes, run by an air club
- Setting up a small care centre for mentally handicapped

Videos have been made of each project. A play and film have been produced about village events, and a Christmas publication documents village activities. All of these are sold for funds.

All of the work is done by *Talkoot* volunteer labour. It is usual for everyone in the Finnish villages to build their own houses, and not to use professional builders. They help each other and can take time off work to build a house. So construction skills are in the community. Landowners give timber for funds or construction. At the completion of each project, a big celebration is organised, to strengthen sense of ownership.

The association undertakes a village planning process, and have had a good experience of using village plans. The first village plan was made in 1991, and was mostly focussed on the physical structure of the village. A group of architectural students also produced a development model for the village centre. In 2001, the village people made a new plan, and an evaluation of the first plan. This has concentrated on developing tourism, and how to use the various facilities to best effect.

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The importance of the village association was stressed, without which none of the projects would have happened. Now they have achieved so much it is also seen as a wise investment for Municipality funds. The message of their experience was *"Don't wait for the funding or for everyone in the community to support the project, if you have a good idea, just get on and do it, the rest will follow."*

Mäntyharju Village Association¹⁷

Mäntyharju is the main village in the municipality of Mäntyharju, and has a population of 600. It houses the headquarters for the Municipality, and has more jobs and permanent residents than the other villages. The area generally is considered a desirable weekend recreation area for Helsinki residents, and has a very high proportion of second-home owners, many of whom are rich and famous.

Village action started in the Municipality in the 1970s, and the Mäntyharju Village Association was formed in 1982. It is not legally registered, and uses one of the other local organisations to raise and hold funds. The Association is run by a committee, selected at AGM for 3 years. The spouses of all committee members are also considered members, thus doubling the effort. The AGM is open to all residents, and anyone can be elected to the group. Second-home owners are strongly encouraged to participate in all activities, and much innovative work has been done to encourage them to invest in the village. All available people are involved and utilised, no-one is left outside the community.

Activities:

The association is very focussed on construction projects and have very many tangible outcomes: Their first activities focussed on environmental improvements, mostly scrub clearance, and the second was to create the village bonfire place. Following this was a long list of projects, including:

- boat access to a lakeside cave with stone age rock paintings
- camping facilities with shelters and cooking places for walkers and canoeists,
- facilities for boating, swimming and recreation on the lakes
- village sign posts
- organising recreational and other events for the village
- a large cultural project, with art gallery, sculpture trail and pavilions
- providing services to the village which are not provided by the Municipality.

The work is undertaken by 'Talkoot' volunteer labour, and matched by funding from the Municipality for materials. It was said to be relatively easy to get local people to give their labour to projects. Landowners also give land and firewood. The municipality also purchases firewood and distributes it to different campsites. In an example of a project to create lakeside facilities, linked to the school, the parents and the village association gave 1000 hours of volunteer work and provided materials, this was matched by 12,000 Euro from the Municipality, most of which was saved for further projects. In this way the Association is undertaking work in a very cost effective way.

View from the Municipality:

The Rural Officer of the Municipality commented on the village associations:

- The lifecycle of the groups changes over time, half are reactive, and half very active. *"The village associations do a lot of work together. It is good therapy for people to do hard work together with others"*.
- Only one association is legally registered, this leaves them free to focus on the actual work rather than on running an organisation and complying with legal requirements. There are several other local groups that are legally registered, and if an association wishes to do something that requires legal registration, they go through these groups.
- The main work of the associations is focussed on making the environment a better to live in/, and better for business. *"The environment would look very sad if it were not for the work of these associations"*. They are not often involved in business creation, but help business by publicity for the area, and a good environment and social facilities. They are also becoming more involved in creating and publicising village services.
- If the municipality is planning to do something, they always consult the village associations. They also organise information events for village groups and provide funding for projects. They regard this work as investing in social capital.
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¹⁷ Information from the village leader and the Rural Officer of the Municipality

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Activities

“SYTY carries out village development as well as trans-provincial and trans-municipal co-operation and networking together with 19 regional village associations, 58 rural development societies (LAGs) and 3900 village associations and committees from over 4000 villages.

As a national organisation free of party-political ties, SYTY works in close co-operation with the parliament, ministries, departments and central organisations. International projects and other forms of co-operation are also on a rapid increase¹⁸

The main activities of the national Village Action Association focus on:

- Strategic village planning and policy development
- Advocacy and lobbying
- Support to village and regional associations
- Central projects and services
- International co-operation

The current central projects and services include:

- Implementing the ‘National Village Action Programme’
- Strengthening the Village Action Network
- Communications and networking – website, newsletter, events
- National village action seminars
- Managing Finland’s National Network Unit for the 58 LAGs
- ‘Village Economy Project’: Strengthening the operation modes for social economy in Finland
- ‘Neighbour assistance Project’ – care in the community, carried out all over Finland
- ‘Village infrastructure development project’ – water, waste, traffic, energy, information network
- ‘Moving to the Country Project’ – village shop, school etc.
- ‘Village of the Year’ competition

Strategic village planning

“Powerful as a small village”

“The Finnish system is very orientated towards strategic planning. Village action groups are not officially part of this process or of the regional planning system. Much work and knowledge of rural areas exists within the village action movement. But civil society does not sit around the table with the official planning process.”¹⁹

Strategic village planning is arguably one of the most important things that has been put in place by the movement. It has enabled the villages to become part of the bigger process of planning for the future, not only within the civil sector, but also increasingly by linking to the statutory planning and policy processes.

SYTY supports the registration of villages and creation of village action plans as a fundamental part of the work of the Village Action movement. Village planning was started early in the 1980s. This has expanded to include regional and national village planning and three levels of planning are now undertaken by the movement:

- Village Plans – in which village inhabitants draw together the village’s needs, aims and measures. Very often these form part of the Municipality plans
- Regional Village Action Programmes – in which the priorities of the village plans and the specific regional issues are drawn together. These often link to the statutory Regional Plan
- National Village Action Programme – in which the priorities of the regional plans and the specific national issues are drawn together. This has strong links to national Rural Policy Programme

The Village Plan

“The most important thing is not what comes out of the process, but being in the process.”

The longest established part, and the foundation of the strategic village planning process is the Village Plan. This is the most basic tool advocated by the village action movement, since Prof. Hautemaki in 1980.

¹⁸ The Village Action Association of Finland – promotional leaflet

¹⁹ Hannu Katajamäki, Professor of Regional Sciences, University of Vaasa - pers. com.

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There is no information as to the number of village plans that have now been developed, but it is estimated by SYTY that there are at least 1000 active plans.

Regional Village Associations have observed that the most successful villages are those with village plans. Without a plan, villages do not achieve such long lasting results and tend to talk about possibilities but don't implement them. The planning process helps to take people from having a good idea to making it happen. It takes the thinking into the whole community, and gives a clear mandate to undertake priority projects. This also helps in gaining funding and support for the project from outside bodies.

There was a confrontation with the municipalities and the villages in the past, when they started the village movement, but this confrontation cannot be allowed to continue. One way to achieve this is for the villages and municipalities to agree on a common village plan. Co-operation with municipalities is increased through the plans, and many municipalities incorporate their findings into their own statutory planning process. The Municipality has to give about 1/3 of the funding to each local development project, but they have to prioritise limited resources. The plans help the villages and the municipalities to establish priorities within the bounds of known financial limits. So far it has been the case that the most active villages have got everything and others have found it difficult to get started and to compete. The planning process helps the less active villages to get their share of development.

“This is the process by which local people take responsibility for development. This is a very big argument for village plans. It gives the village something to follow, even if the people change. It encourages people when they see what they are doing, on paper, in black and white. Their work becomes visible. If you set out with a plan you have something clear and measurable against which you can assess your progress.”

Strategic planning is not something that comes naturally to villages. However, they have come to realise the great benefits it brings, and have been encouraged by seeing how it has produced results in other villages. The first plan is the most difficult. After that

the village will be more able to work with strategic planning, and updating is easier. Starting the process and being involved in it is the most important thing – not the initial results.²⁰

The process

SYTY and the Regional Village Associations support the village planning process with training, materials and advice in planning methods. These are based on a national project on village development plans, undertaken by SYTY, and on collected examples of good practice in village questionnaires. The process takes about 6 months. Various methods are used, the most usual being:

A questionnaire is designed by the village or based on a pro forma. These are delivered to every household and collected by the village association. A small group analyses the questionnaires and lists the main ideas raised. A village meeting is held to identify the priorities. The group produces a report of the survey and its results. This usually also includes basic data about the community, households, age structure etc. The ideas are then divided into 3:

- tasks they can do themselves without extra funding
- tasks that are the responsibility of the Municipality, and that should be negotiated with them.
- tasks that are bigger or long term and require further planning, investment and external funding

The Regional Village Action Programme

The regional village planning process is more recently established. 17 of the 19 regional associations now have a 'regional village action programme'. In many cases, this was the first time that there had been a publication about the situation and work of the villages in the regions. This has been very helpful in drawing the issues of the villages to the attention of the authorities at regional level. It has been found that the authorities prefer to work with planning based village development. The regional plans are used to lobby the authorities, to raise funding for

²⁰ Iiris Jurvansuu – Board member of SYTY and regional project leader – pers. com.

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projects and to help to build the National Village Action Programme.

SYTY provides support to the regional plans:

- National funding was obtained from the Ministry of Agriculture and Forestry for undertaking and publishing the regional village plans.
- Information seminars on plan preparation
- Forum for creating joint inter-regional projects
- Forum for internet co-operation – strategy theme group
- Pilot projects in topics that are not within regional development plans – new ideas.

The Process

The process used is similar to that of the village plans, but at a different level. The first action is a survey of the villages by questionnaire, to identify the most important development targets for the village and their requirements from the authorities. The priorities to be handled at regional level are identified by the regional board, from the village questionnaires. These are discussed and prioritised in seminars at regional level, and the regional village plan is then drawn up from the overall findings.

Only the information that can be taken care of by village movement is included, other information that could be taken care of by other bodies is passed on. In this way, they are clear that this is 'added value' that no one else will do.

The plans contain information on:

- Baseline information – the situation in the villages - population / jobs/ conditions/ groups etc.
- Targets of plan - how they want to change the existing situation
- Priorities for village development that require regional support
- The levels at which these should be undertaken – village, municipal, regional

The National Village Action Programme 2003 - 2007

"Powerful as a small village"

"This is a national programme not a prescription for the villages. Village action is not a one-issue movement – there is work for many different causes and organisations."

The first programme was developed in 2000. The second National Village Action Programme was published in November 2003, for the period 2003-7.



The National Programme is the over-arching policy document for the village movement. It provides a clear statement of the most important issues to be addressed across rural Finland, and provides a national link to the regional and village plans. It also provides one of the foundation documents for the development of the Government national Rural Policy Programme. Of the 108 proposals listed in the 2000-4 programme, 77 had, at the time of writing, been successfully completed and a further 19 about to be completed.

"Village action has organised into local, regional and national activity, and international co-operation is increasing. Each level has its own responsibilities and each is needed to promote village development. This is recognised in the programme, where there are responsibilities for each level. The village action programme is an essential part of rural and regional development. Therefore the most central proposals are also included in the Rural Policy Programme. It would also be beneficial if the regional proposals were included in regional plans and programmes."

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*In this way, the self-initiative and responsibility of villages is tied to the definitions of policy and objectives that rural Finland is being developed with.*²¹

The Village Programme lists the goals to 2007, the action proposals, evaluation of the previous programme and an overview of the state of village and regional activities. A separate strategy for international work will be prepared in 2004.

SYTY does not have power to affect decisions directly, but through this plan are able to have much influence. The proposals are given to different actors to undertake, which proved very successful in the first programme. SYTY has different thematic working groups, which will work with the follow up to the plan. Each proposal in the plans will be monitored twice a year, starting in June 2004, to assess how well other organisations and Government are implementing it.



Advocacy and lobbying

*“Village action will not be left alone – it can expect society to support it and work towards the same direction.”*²²

The village movement seeks, at all levels, to influence policy through advocacy. It has developed, through its strategic planning process, a clear process for forming policy positions, which is rooted in the views and issues of the villages of Finland. This includes:

²¹ ‘All the Power of a Small Village’ – National Village Action Programme 2003-7

²² Eero Uusitalo – “National Village Action Programme” 2003-7

- Village plans
- Through these plans regional plans are formed
- Through regional plans national plan is formed

The participatory nature of this process gives it great strength in advocacy and lobbying to the authorities. However, the responses vary greatly between the different bodies at local, regional and national levels. The importance of the National Village Action Programme in influencing the National Rural Policy Programme is clearly documented. Overall, Village Action is not credited with being very successful in influencing policy at national, regional or local levels, though this is improving.

At national level SYTY is part of the integrated national rural policy network, though is not the only rural actor. Their members participate in the Rural Policy Committee and Theme Groups. The President of SYTY is also General Secretary of the Rural Policy Committee and also of the Rural Network of politicians (see Chapter ??). This connects the village movement to the national rural policy framework.

At regional level, the regional village associations are seeking to influence the development of regional policy through the Regional Councils. They are also connected to the development of the strategic plans of the LAGs. However, the task at regional level is acknowledged to be difficult due to the complex nature of the regional structure and the fact that most regional village associations are very young.

At local level, the villages are increasingly seeking to influence the plans of the municipalities.

Links and support from ministries is limited. The Ministry of Agriculture and Forestry is the most supportive, though this only happened after the Ministry became responsible for rural development at a national level. The other Ministries have their own views about how the involvement of local people should take place, but do not seem to recognise the role of the Village Action movement.

Very big differences have been recorded between different regions and municipalities

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as to how they use the village associations. This often depends on the people involved. The age of village and regional associations is also important as to how much influence they have. In the early stages, there was significant fear of the village movement on the part of politicians at all levels. Overall however, there is agreement that co-operation is getting better with time, and the importance of the village movement is now more widely recognised by authorities.

Central projects and services

The current central projects and services include:

- Implementing the 'National Village Action Programme'
- Strengthening the Village Action Network
- Communications and networking—website, newsletter, events
- National village action seminars
- 'Village Economy Project': Strengthening the operation modes for social economy in Finland
- Managing Finland's National Network Unit for the 58 LAGs
- 'Neighbour Assistance Project' – care in the community, carried out all over Finland
- 'Village infrastructure development project' – water, waste, traffic, energy, information network
- 'Moving to the Country Project' – village shop, school etc.
- 'Village of the Year' competition

Communications

Communication is critical for the village movement to keep everyone in the country informed about the work of the movement, at all levels. SYTY has a communications strategy to handle the complexity of the process. Information about village and local development is disseminated via their magazine "*Maaseutu Plus*" (Countryside Plus) and related website: www.maaseutuplus.net. They also run a range of information events at national and regional levels.

The Village Economy Project

This work, funded under the EU Equal Project, is currently the main funding source for the organisation, providing funding at

national level and also for each of the regional co-ordinators.

Its objectives are:

- To work out and test methods of social economy suited to the Finnish countryside
- To develop new opportunities and employment in, for example, cultural, social and environmental services
- To strengthen the economic life and structure within villages in rural areas
- To strengthen the local Village Associations in rural areas
- In the longer run: to develop a strategy of social economy suited to the nationwide villages programme, to the regional villages programmes and to the economic planning and development of villages.

The National LAG Network Unit

SYTY is the National Network Unit for the Finnish Local Action Groups (LAGs). It has undertaken this role since the start of the first LEADER Programme in Finland, which coincided with the start of SYTY. The Network Unit was chosen through tendering process, from 8 applications. The Unit provides support to 58 action groups, funded from 4 different sources: LEADER, POMO, Objective 1 and Regional Rural Programme (ALMA). 7 people are employed part-time within the unit (2.6 FTE). Because of this complicated structure the Unit is funded nationally, by the Ministry of Agriculture and Forestry, rather than by EU funds.

The functions of the Network Unit include gathering and disseminating information about the LAGs, and providing training for LAG members. It also functions as a co-operative link between LAGs and other rural action groups, such as village organisations, the Carrefour network, employment and economic development centres and other rural organisations. It also takes part in the trans-national networking process. Activities include meetings, training, newsletter and web-site.

Neighbour Assistance Project

SYTY together with the churches, municipalities and associations, is implementing an extensive national community care and infrastructure project to support the elderly living in their own homes.

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Village Infrastructure Development Project

The infrastructure in this study includes the information and communication technologies (ICT), the maintenance of roads, cycle tracks and pavements, the water supply and sewerage and the waste management.

The objectives and activities of the study are:

- To look for models and good practices to strengthen the role of the villages as developers of the infrastructure.
- To make a feasibility study on the needs of development as well as the projects in progress in the field of developing the infrastructure.
- To produce a catalogue / a report on the practices and experiences of the existing projects, on the existing studies / research and the development of the technology.
- To strengthen the role of the national and the regional village action organisations in stimulating the actions of the villages.
- To lay the foundation of the actual project for developing the infrastructure by the means of the actions of the villages.

'Village of the Year' competition

The Rural Parliament in Finland started The Village of the Year Competition in 1985, and SYTY has continued the tradition.

The 19 Regional Village Associations collect information of the activities of the villages in their regions, and receive the applications from the village associations to become awarded as "The Regional Village of the Year". Normally the Regional Village Associations propose SYTY a village for the national contest of "The Village of the Year". Sometimes the Regional Councils strengthen the proposals with their official support. In addition any village associations may send their application directly to SYTY.

The criteria when nominating and awarding the Village of the Year have differed from time to time. Before 1987 there was a new theme for each year, such as "Nature-village-people", "Services of the villages" or "Cherishing traditions". Since 1987 the criteria have been wider and the aim has been the nomination of the "Best Village" in the country. In choosing the best, from the more than 20 candidates, the criteria are:

- the level of activities in general

- planning of activities and systematic development work of the village
- open information and good communication in the village and with the co-operative partners
- creative and innovative activities.

The awarded villages mainly gain very extensive publicity. No financial rewards are given. Thus, at national level, the purpose of the contest is to raise awareness of the life and development of the rural villages in Finland. At local level, in the best cases, the winning villages are gaining more population, more jobs, more tourists etc. Winning the award always brings empowerment and self-confidence to the active villages.²³

The Village Project

The main objective of the Ministry of Agriculture and Forestry funded "Village Project", the development of the local and regional structures, organisations and their activity programmes, has been well achieved. The first phase of the project started 2001 and ended in October 2003. The "Top 5" achievements since then have been:

1. The regional village associations have been created covering all of the 19 regions in Finland.
2. The number of registered local village association has been increased from 400 in the beginning of 1990s to 2200 in 2003.
3. Regional village co-ordinators are employed at least half-time in every region.
4. 17 regions out of 19 have been able to create their regional village action programmes and strategies, and the second national village action programme 2003-2007 has been published.
5. The work to deepen and to make the activities and programmes more versatile has started: eg. the new feasibility studies on domestic and care services and infrastructure.

²³ Tarja Helanen – SYTY staff member

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International co-operation

International co-operation has always been an important part of the agenda of the village movement. Though this has varied in emphasis and action over the years. Links with the Swedish village movement have always been strong, and these have provided mutual support as the two movements evolved and matured. More recently, Finland has become an important source of support and guidance to the newly emerging rural movements in other parts of Europe, especially in the Baltic countries.

SYTY is producing a strategy for how to deal viably with international affairs.

International co-operation is currently undertaken in 4 main ways:

- Participation in EU events and projects
- Membership of the PREPARE Network
- Nordic co-operation through the Nordic Network - *Hela Norden ska Leva* (HNSL)
- Support to the development of rural movements in the accession countries

The EU - Finland is very aware of the increasing importance of the EU in determining policy, financing and economic development. In the next programme period it is anticipated that there will not be much development funding for Finland on the regional level. But strategically the EU will want more international co-operation in order to justify funding. So developing trans-national links is seen as very important. The Government is active in lobbying in Brussels. SYTY is seeking to influence this process through participation in EU events and

development of a rural policy framework. SYTY is very active in drawing down EU funding for its activities, and in supporting local projects through the LAG Network and Regional Village Associations. SYTY see its role as an information centre for those who want to develop trans-national work and are building contacts with Carrefour to use their resources.

The PREPARE Network is seen as strategically very important, and one of priority tasks for the future. SYTY was very active in the beginning of PREPARE, providing support to the pre-accession countries. It is now a full member of the Network and plans to assist through co-operation, partnerships and contacts.

Nordic co-operation – This is a long tradition, and the Finnish village movement has had an important role in exchange of experience. They are active members of the Nordic network of village movements – *Hela Norden ska Leva* (HNSL). This comprises Finland, Sweden, Denmark, Norway, Iceland, Faroes and Estonia. Each country has its own distinctive movement, but Sweden and Finland are probably the most comprehensively developed.

Achievements

“The national Village Action Association is now regarded as an established body and is accepted as a key player in the rural scene. It is seen a vehicle that works.”²⁴

The significant achievement of the Finnish village movement are best summed up in the statistics produced in the 2003-7 National Village Action Programme for the action of the villages in 2003:

- 3900 village associations and committees
- 2200 registered village associations
- 40,000 individuals involved (divided equally between men and women)
- 1.6 mill. volunteer hours per year
- 16 mill Euro worth of volunteer time
- 3.2 mill Euro independent funding per year

²⁴ Iiris Jurvansuu – SYTY board member and regional project manager

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- 31 mill Euro public project funding a year
- 8000 development measures per year
- 2600 village halls/ community centres
- 1000 village plans in effect
- over 2.5 mill. Finns assisted by village development work.

Among the main achievements of the movement as a whole are:

- Developing of an extensive network of legal village associations
- 31 mill euro spent locally through these associations in one year
- Establishing a regional village association in each of the 19 administrative regions
- Developing a national village action programme, linked to regional and village plans
- Developing social capital - encouraging villages into financial co-operation, establishing new methods of working and employment opportunities
- Implementing a wide range of projects at national, regional and local levels
- Strengthening the position of the village associations to the point that their plans influence rural policy
- Improving co-operation between civil and public bodies for rural development.
- Working with other countries to develop rural movements
- Contributing to the European network and lobby for rural development

According to the Chairman of SYTY²⁵, the main achievements of the village movement are:

- More action at every level
- More trust/ confidence in our own possibilities – people now know that they can influence their own development.
- Fine results in the villages – networks, small entrepreneurs, fine heritage etc.
- A significant increase in local expenditure through the village associations.
- The inclusion of Talkoot (volunteer labour) in LEADER and other programmes

“It is impossible that any of this would have happened without the organisation of the movement”.

Villages have become active partners and employers. They have developed extensive projects and other development activities. New forms of action and organisation, eg. village co-ops, have been developed. Villages have networked with other bodies – municipalities/ public authorities/ NGO's/ private companies – in order to further local development.

Perhaps most importantly, the whole issue of rural development in Finland, and the situation of the many villages, has been brought to national attention. The logic and simplicity of the structure of the village movement at each administrative level has enabled a clear system for linking civil society to public administration.

Finish Village Action has been awarded 2 prestigious awards for its work to develop rural society:

- The 'Alternative Nobel Prize' - Right Livelihoods Award in 1992
- The UN Friendship Award in 1995

“The village committees are an expression of small-scale collective action over individualism. Communal facilities are emphasised or restored as are public and social services, including health, postal and transport services. As each village grows in confidence and organising experience, they make new demands or take new initiatives. The local governments are giving the village committees increasing support. There is evidence that the committees are having a revitalising effect and creating new co-operation between the villages more traditional organisations. Household and farm extension services are also reviving. Currently one of the most important features of the movement is its increasing strength at the provincial and national levels. This is a further expression of the growing determination among rural people to preserve the dynamism, quality and variety of their lives against the continuing trends of urbanisation, centralisation and loss of rural local control and self-reliance.”²⁶

²⁵ Eero Uusitalo – pers. comm.

²⁶ *Creating Common Unity* – Friends of the UN 50th Anniversary awards

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Problems

“The village movement is very fragile in its growth phase. Those who don’t want it to grow will easily attack you”

The movement, as it developed, has had to tackle negative responses at local, regional and national levels. *“At the start many people said why do we need another organisation? The villages didn’t think they needed another village organisation, nor did they want a national organisation, as they thought it would dominate and take power away from the local level.”*²⁷ There has also been political resistance - in particular, local politicians have been afraid of new active groups, afraid of losing power. This was not a uniform response, but it has taken time to dispel the fears and to show by example that the existence of the village, regional and national village organisations has made an important contribution to rural development.

The second main problem for the movement has been funding. In 2003, for the first time, the Government provided limited financial support. Most of the funding, from which the organisation survives, at all levels, is project based. This creates tensions between the demands of delivering projects and servicing the wider needs of the organisation. The movement has been fuelled by a huge amount of voluntary labour, on a scale that it would be difficult to imagine in the UK.

SYTY has experienced problems with constantly changing personnel, both staff and board members. This is, at least in part, due to the constant fluctuation and insecurity of the funding.

It has been noticed that members of village associations are getting older and fewer, and many are not at their strongest now. There is also a reduction in the willingness of young people to undertake ‘Talkoot’ voluntary work – the mainstay of village action. Some of the key village activists have moved on to take positions on the LAGs since they were set up. This is often a loss to the village level.

The link between village action groups and village population is a critical link. This is not

always as strong as it should be, in some cases it is weak.

The village action movement does not have a clear idea as to how to make the village action groups part of the regional planning process. There is also a lot of work to do to improve the extent to which municipalities and Regional Councils take note of the village and regional village plans in their own policy processes.

It has been pointed out that the Village Action movement is not good enough at lobbying and that this is a problem. The movement is very weak in lobbying political parties, it is also seen as politically weak at both village and regional level.

Inevitably, the movement has suffered from personality clashes and issues. This is a feature of all of the national movements.

Finally, there is some unease as to the over-reliance of the movement on the work of one man, the Chairman of SYTY, in driving rural development and linking SYTY with the Government. In part, the success of the movement is also his success, and there are concerns as to what will happen when he moves on.

²⁷ Iiris Jurvansuu – SYTY board member and regional project manager

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Commentary

“The Village Action movement is a revolution in direct action”²⁸

The Village Action Movement in Finland is now approximately 30 years old. In this time it has progressed through different stages in its orientation and activity. It is now facing a new range of issues, and there is debate as to how it will evolve into the future to meet the new challenges. This chapter attempts to set out the issues surrounding the development of the village action movement in Finland. It reflects the discourse and dialogue with key players from the movement, academic and public sectors, rather than any in-depth study of the literature. Indeed, much of the work of the village movement remains undocumented and un-researched.

Origins of the movement

“It was a movement against centralised administration and power. It was a small revolution in thinking. The rural people found new ways to influence and have impacts.”²⁹

The Village Action movement in Finland started from a rural crisis. This created the demand, Professor Hautamäki, and those who followed, interpreted this demand into an organised movement.

The old countryside in Finland was very lively, with many associations. After World War II, especially in the 1960-70s, many people moved to the cities and to Sweden. There were so few people left in the north of the country, that there were not enough to form associations. In the 1970s there was a policy of putting big industries into rural areas, this succeed only partially. Agriculture became more centralised and mechanical, and did not give work to so many. There were an increasing number of non-agricultural rural residents. The rural areas needed new opportunities to stem the threat of rural depopulation. A new, more efficient way of gathering people together was needed.

The village action movement provided a new way. It was relatively easy to persuade the

villages that they needed a new way to organise village co-operation, and that the village committee was the way to do this. In 1976 research project had a pilot study with 10 villages in different areas. The concept of the village committee was born out of this. ***It was a social innovation.***

The character of the rural villages of Finland played a major part in enabling this movement to take life and to flourish. The village is one of the longest established community units. Before the 1865 law that established the municipalities, the village had been the most important unit of local administration. The parish boundaries were used to define the municipal boundaries. These were relatively large areas, as the Finnish villages are so dispersed. But the villages remained at the heart of Finnish rural life.

Because of the geographical circumstances of the country, and its long history of occupation, villages have had to be very self-reliant. It is only since WWII that independence and the welfare state began to relieve the pressures of survival. But the challenge of agricultural decline presented a serious threat to the rural communities. As Professor Hautamäki realised, the villages either had to get organised to fact this challenge, or die. His advocacy to the villages was sufficiently persuasive that the thinking behind the movement was seeded.

“At the start of the village movement, there were mostly meetings and some declarations to the authorities, stating what was needed. What was more important, was that the people started to work together for their own villages. During the early years, Talkoot (volunteer labour) was the main driving force.”³⁰

Character of the movement

Village action has both diversity and duality. It is both recreation and very determined development work. The expanding responsibility for development does not negate the role of the village as an organ for togetherness. On the contrary, development

²⁸ Eero Uusitalo – pers. com.

²⁹ Eero Uusitalo – pers. com.

³⁰ Eero Uusitalo – pers. com.

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can enrich the cultural life and common activities in the village.

It is the nature of the VAM that it represents direct action in the villages. The village future is more and more determined by the villager's own will, because of:

- Weakening of the Government and local authority financial base
- Increased size of municipalities, bureaucracy, sectoring of tasks, privatisation
- Need for neighbourhood democracy and the villages' own action to grow
- Villagers' ability and wish to influence their immediate surroundings and the development of services

The village action movement has been organised in such a way that something can be achieved. Doing is more important than talking. It represents all people, not just interest groups. In the villages there are many associations where there is no activity, just people meeting. Therefore it is sensible for people to get together and work together. *"This is policy – not about hoping and wishing, but about doing"*³¹

*"It is the nature of the Village Action movement that it comes from the bottom and evolves at a natural pace – regional and national associations are only set up if they are needed and wanted and to give expression to what is already happening. You cannot act in a society unless you are organised. The village movement is an invention that is very useful for local people. It is very flexible, nothing can be forced and it must be open to local needs. All villages are working according to their own needs."*³²

There is a strong tradition of building registered associations in Finland but also some resistance, some groups want to be more free – lobbying groups. There has been an on-going argument at national and local levels: Some people feel that the Village Action movement is an idealistic movement of voluntary action and you lose freedom if you are organised. But no-one has ever forced these organisations, they have been set up voluntarily as an open forum for all individuals

and groups in the village – to help them find out how to do things better.

The village

*"This village level is different in character. It is free and creative - the basic turbulence"*³³

The village, or *Kylät*, is a very important unit in Finnish rural life. 'Village' has many meanings. It is primarily a mental unit, an historical rather than a legal or geographical unit. It began where people first settled, and spread out from this nucleus over the years. The focus may be an old association or a school catchment. Several village associations link 2-3 villages. The question to ask is – in what area do you want to co-operate? This leads to the definition of the village. In most areas people have already, historically, chosen the unit which works best for them.

Talkoot

*"The culture of co-operation in the Finnish countryside will play an important role in integration and networks."*³⁴

The village has traditionally survived through voluntary labour. In Finland this has a special status 'Talkoot'. It is a very organised system, dating back to the very early times, based on the principles of reciprocity and trust. There is not a strong tradition of using contract labour in Finnish villages, even houses, farm and public buildings are built by volunteer labour. If someone needs a job doing - a house building or potatoes digging - they request *Talkoot*. A date is set, information is spread by word of mouth, a notice is posted. People turn up to do the work, the women bring food and people provide materials, especially timber.

This paints a picture of a social unit, which has traditionally met its own development needs through its own labour and produce, rather than through the monetary economy. This is the basis from which the village associations have been formed, and from which they undertake their work.

³¹ Eero Uusitalo – pers. com.

³² Torsti Hyyrylainen – University of Helsinki – pers. com.

³³ Torsti Hyyrylainen – University of Helsinki – pers. com.

³⁴ Eero Uusitalo – pers. com.

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The role of the village

“It used to be that people became active if there was a perceived threat. But people have now realised that they have to be more responsible and to tackle local development pro-actively. It took the EU to make people realise that they can do something. Through LEADER funding they had to be organised. Previously villages were more dependent on higher authorities, but now they have to do it for themselves.”³⁵



Häkkilä Village Hal, Toholampi

What is the most appropriate role of villages in the national process? Are villages primarily economic or social units? Should village groups be considered deliverers of economic development and entrepreneurs? Should they be service deliverers? Or should they be deliverers of social values – mutual care, social action, culture, environmental care etc? This is the main debate surrounding the development of the village action movement.

The role of the village associations has traditionally been focussed on defending the interests of the village, fighting for the school, shop etc. and undertaking various social, environmental and recreational projects. This is termed the **‘first generation’** of village action, laying the foundations for villages to move into a more professional mode.

Whole villages are now increasingly involved in various aspects of service delivery and economic development, through the mechanism of village associations. This is referred to as the **‘second generation’** of village action. An important characteristic is

that most of this work is still undertaken through Talkoot, non-profit labour, and so is a third sector rather than a business enterprise.

The issues as to the role of this form of social economy, and the extent to which it should become part of the monetary economy, with villages being paid for service delivery, is an increasing debate, as the capacity of villages to deliver their own needs is increasing. Very often villages have been so used to doing things for themselves, voluntarily, that they do not realise that they may be able to raise money for some of this work.

It was commented that most municipalities are very poor at recognising the value of this form of social economy, and tend to take it for granted that this work is done for free. The view expressed by people working at village level was that it is not the job of the villages to teach the municipalities how to work with the social economy. In some municipalities this is now working well, but it is a slow process to train them.

The Nordic welfare state model is quite centralised. The State takes care of people and local people are needed to deliver this, mostly through the municipalities. Municipalities are the ‘local hands’ of the State. Everything is well planned and has its place. In the 1960s civil society was not thought of so much, it was the welfare state not the welfare society. As a result the third sector has played only a minor role as service deliverers and employers (3-4% of employment in 2001) in Finland). However, the welfare state is expensive. Because of the increasing pressure of international competition, there is a pressure to reduce expenditure on taxation. This has led to the need for civil society to become the deliverers of the welfare system.

Historically in Finland there was only one form of legal association. Then about 150 years ago it was recognised that this was not sufficient and that the different characteristics of profit and non-profit organisations needed to be recognised. This was a fundamental point of divergence between the financial and social economy, recognising that the 2 types of activities were intrinsically different.

Talkoot (voluntary work) is the foundation of the social economy and very hard to

³⁵ Eero Uusitalo – pers. com.

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measure. However, there is a critical distinction between the traditional concept of *Talkoot*, as being a freely given effort to support your community, and the notion of voluntary labour as an in-kind contribution to project funding. In-kind labour is part of the economy, and must be costed. It also introduces new problems in the form of community responsibility, regulation, health and safety.

When the LEADER+ programme was developed, the contribution of voluntary in-kind labour from communities was accepted as a legitimate contribution. This then had to be costed, and rates were set. This has brought voluntary labour into the economy in a measurable way. For local people however, the notion of charging an in-kind cost for their labour is an uneasy concept. This is labour they would normally give freely. *Talkoot* works according to a different value system. People don't expect or want payment. They offer their time for other reasons – to be involved with the community, to feel valued, to occupy their free time, to gain satisfaction from producing local improvements.

It is possibly that many people will not want this kind of work. What effect will this have on the notion of volunteering? Is the increase in second generation activity and EU funded projects causing a 'project-isation of village culture? How happy are village people to work through the project culture?

The reality in villages today is different than in the past. Members of village associations are getting older and fewer. Many people have left the rural areas, and those who are left have so much to do. Both partners have to work and have no spare time for voluntary work. They have also got used to the process of labour being valued economically. There has been clear feedback from villages that service delivery cannot be considered volunteer work – someone must pay for it. "Eventually we have to move to a system of paying for local labour. The Ministry of Agriculture and Forestry believes the village should become an economic unit."³⁶

These are the conflicting assessments of the future of village action.

The National Village Action Association – SYTY

"Power is never given, it is always taken - but it is important to think about taking power without removing it from others. What ways are open to local people to take power?"

Why was SYTY formed?

"In the early days of the movement, there was no central organisation, only a forum of national organisations. Many people held the view that a stronger organisation was not appropriate and that the movement should be free of bureaucracy. When Finland entered the EU, it was realised that it was not possible to stimulate enough activity at local level without a strong body at national level. Which is why we built SYTY. It was also noticed that the EU provided tools for the development of rural areas. This was new in Finland. So we changed the purpose of the village movement to enable it to work with these new tools. This required a stronger organisation taking more direct responsibility. So far this has been proved to be correct."³⁷

Why is a national village organisation needed?

"To integrate sectoral interests, at local and national levels, to strengthen the involvement of village people and to bring their interest groups together. If we wanted to get support for these village groups we needed a body that was fighting for this at national level."³⁸

"SYTY is a young organisation but the village movement is older than SYTY. Many of the village associations were in place before SYTY and are leading their own lives – if SYTY went they would remain. It is the nature of the village movement that it is local. Unless you need a national body it is not created. However, the work undertaken by Prof. Hautamäki shows that mobilisation from the outside was necessary. Would any of this have happened if there had not been such people mobilising local opinion and structuring it? Something may have happened through different organisations.

³⁶ Risto Matti Niemi – Ministry of Agriculture and Forestry – pers. com.

³⁷ Eero Uusitalo – pers. com.

³⁸ Eero Uusitalo – pers. com.

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But these organisations were not able to answer to the demand – they had their chance, but they always wanted to limit it to agricultural interests. In all the countries where rural movements have been established, people have seen a need for a rural voice, which was not already being expressed through existing organisations.”

“You cannot act in a society and meet the demands if you are not organised. That is why it helped local people that there was a national project helping the villages and regions to get organised. All the different regions and village associations are using the movement in different ways, arising out of the different needs in their own area. This is therefore a very flexible structure. Also it is not very powerful, it couldn't be otherwise, we couldn't force anything. It has to be open to the villages' own needs.”³⁹

How can SYTY adequately represent the diversity of rural areas?

“SYTY finds no problem with diversity. We are proud of the diversity we have in our regions. We always work from the premise that we have to leave it open to the regions to develop. The regional structure is essential for this. SYTY could not operate without a regional structure.”⁴⁰

What is the added value from Village Action?

“Organised villages are more active, stronger and do much better. They are more open-minded and attract incomers. Disorganised villages do nothing, become unattractive to live in and people move away. Success is always greater in the villages with village associations, there are strong correlations. They are generators of social capital.”⁴¹

Why is a national village programme needed?

“Because in the Ministry we must have facts and ideas about how we can develop village matters, and we are taking the proposals from this programme into the rural policy. Rural policy requires the village movement. There are very tight

connections between SYTY and rural policy.”⁴²

How important is the role of the Chairman?

The Chairman of SYTY, Eero Uusitalo, has 3 roles:

- Secretary General of the Rural Policy Committee
- Secretary of the Rural Network of politicians
- Chairman of the Village Action Association of Finland

He has been referred to as ‘the father of rural development in Finland’, and is an enthusiastic and respected leader, devoted to professionalising the field of rural development. The link to the Rural Policy Committee has given SYTY a lot of energy, ideas, knowledge and belief. It has shown how easily change can happen. There is immense gratitude, both in the movement and the administration for the risk taking and work of the Chairman, which has made all this possible. However there is also concern as to whether the movement could sustain this level of achievement without his critical role. The Chairman's view is that the movement is now mature enough to carry on without him.

What is the future for Village Action?

“When the organisation first began it was quite informal, but now it must speed up and become more efficient. Only a few politicians know about SYTY, we are not powerful, policy impact is important. We must strengthen the direct influences/channels for villages to influence decisions. The local democratic system is not enough. We must give more power for direct work and impacts. The village action groups are very strong actors in their own affairs, but they are only one actor in the big picture. Some village associations have been given their own tasks by the municipalities. We need this kind of group – which stands on 3 legs.”⁴³

“Village action will not be left alone – it can expect society to support it and work towards the same direction.” Eero Uusitalo⁴⁴

³⁹ Iiris Jurvansuu – SYTY Board Member

⁴⁰ Iiris Jurvansuu – SYTY Board Member

⁴¹ Iiris Jurvansuu – SYTY Board Member

⁴² Eero Uusitalo – pers. com.

⁴³ Eero Uusitalo – pers. com.

⁴⁴ The National Village Action Programme 2003-7

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Appendix 1 Itinerary

1.9.03 Mäntyharju in Etelä-Savo Region:

2-4.9.03	Participate in joint universities Rural Studies Course - opening week	Lecture to the rural studies students Discussions with the rural research group Participation in lectures and field visits: - Rural policy in Finland - The history of the village movement - The role of the municipalities
	Village Association of Mäntyharju	Role of the village association Strategies for coping with second homes Eco-tourism
	Regional Village Association of Etelä-Savon	The role of the regional village association

5.9.03 Kaustinen in Central Ostrobothnia:

6.9.03	Central Ostrobothnia Village Day – Himanka	Regional Village Association of Central Ostrobothnia Sustainable development and environmental projects The role of the village in development
7.9.03	Meeting with Board member of SYTY and coordinator for the Regional Village Association	The role of SYTY at national and regional level Village action associations
8.9.03	Eskola Village Association Chydenius Institute, University of Jyväskylä Kokkola, Central Ostrobothnia	Case study of a successful village association Village research in the Swedish speaking area Entrepreneurship in villages The countryside in Finnish society EU regional science convention Local music festivals Economic value of the Finnish countryside
9.9.03	The Council of Central Ostrobothnia Pirityset Local Action Group	Regional government in Finland The work of the LAGs

10.9.03 Helsinki:

11.9.03	Headquarters of The Village Action Association of Finland - SYTY Regional Village Association of Varsinais-Suomi, Turku Municipality of Pohja and the Village of Fiskars	The role and work of SYTY International co-operation between villages Social economy – EQUAL project Local Action Groups and the LAG Network Unit Local development projects Case study - The role of the regional village association Case study - Village action
12.9.03	Ministry of Agriculture – Helsinki Meeting with the Head of the Rural Policy Committee and Chairperson of SYTY Board meeting of the Village Action Association of Finland – SYTY	Rural policy and the development of villages: Rural policy in Finland National Village Programme The 2003-7 National Village Action Programme Procedures of the main board