

Liberalism outside the UK

Juha Kolumäki examines the history of the National Progressive Party of Finland in the interwar period.

Finnish Liberalism Between the Wars

THE NATIONAL PROGRESSIVE Party (in Finnish: *Kansallinen Edistyspuolue* or, as it was usually shortened, *Edistyspuolue*) represented liberalism in the Finnish political sphere from 1918 to 1951. In this article I focus mainly on its history during the interwar period, when its importance was greatest. It was never a large party. In its first election in 1919 it won 26 MPs (out of 200), but it declined quite rapidly, election after election. By the 1930s, only between six and eleven MPs were elected. Despite the low level

of support, it had a significant influence on Finnish political life during that period. For example, the first president of Finland, K. J. Ståhlberg (in office 1919–25), belonged to the party. The National Progressive Party was also a logical party for government. It took part in most interwar governments, usually in important posts. From its ranks came six prime ministers and four foreign ministers, in seven governments. And despite the fall in its vote, its influence did not decline during that period. On the contrary: apart from six



The first session of the Finnish parliament after the civil war

months in 1936–37, between 1932 and 1940 the Finnish prime minister always came from the Progressive Party.

When in leading posts, Finnish liberals undoubtedly played an influential role in building Finland as a modern western state. They contributed strongly to Finland's first steps towards a welfare state and to the promotion of national unification after the civil war of 1918.

Background, basis and position of the National Progressive Party

In the late nineteenth century, the crucial dividing line in Finnish politics was the tension between the Finnish-speaking majority and the Swedish-speaking minority. Hence, there was no room for any party not based on the language divide. The first liberal party, founded as early as 1880, soon merged with the Swedish party, as the people behind it were mainly Swedish speakers. There has been a strong liberal influence on the Swedish party line of Finland ever since. However, this article concentrates on liberalism on the Finnish-speaking side. It is notable that Finnish liberalism has always been divided by language, which could not help but affect its level of support.

On the Finnish-speaking side, liberalism first gradually developed within the Finnish-language party as a movement of young people. As political issues besides the language question came to the fore, the Finnish-speaking side began to disintegrate. The united Finnish Party gradually broke into two around the turn of the century, when part of it developed as the Young Finns Party (the remainder was usually called the Old Finns). The Young Finns have usually been roughly categorised as a liberal party, which is not entirely true. The main dividing line between Young Finns and Old Finns was their different attitudes towards Russia and its policy of

oppression towards Finland since the turn of the century. The Old Finns favoured a more conciliatory policy towards Russia. The Young Finns on the other hand objected to all concessions and wanted to hold on to Finland's constitutional rights. There was no clear pattern of Old Finns being conservatives and Young Finns being liberals. Furthermore, liberalism in the Young Finns varied greatly from radical social liberalism on the left to the classical Manchester School liberalism of its right wing. The right wing also contained clearly conservative elements. Placing the Young Finns as a whole on the spectrum of liberalism is not by any means obvious.

Before independence, Finland had been an autonomous grand duchy in imperial Russia, with its own Diet, known until 1906 as the Diet of the Estates. In 1906, it was brought up to date by establishing a one-chamber parliament (*Eduskunta*) elected by universal suffrage. Here Finland was in the vanguard of female suffrage, since women gained equal status, with the right both to vote and to stand as candidates. Two hundred MPs were elected by proportional representation (by the D'Hondt method) from sixteen electoral districts, with between six and twenty-three MPs elected per district, though Lapland had only one seat.

Political life had been in ferment during the years of the First World War, Russian Revolution, independence, and finally the Finnish Civil War between bourgeois (this is the standard term used for the non-socialist parties in Finland) Whites and socialist Reds in the spring of 1918. The old dividing line between Young Finns and Old Finns lost much of its weight during the 1910s, and new divisions had arisen, especially within the Young Finns. These were mostly internal disagreements between a conservative right wing and liberal left wing, although they related to several issues. They became so prominent that the Young Finns Party was reduced to barely more



The civil war left a bitter legacy; Reds being executed by White soldiers, 1918

than a shaky shell. The clearly liberal and, in particular, social-liberal left of the Young Finns had, in many cases, much more in common with the left wing of the Old Finns than with the right wing of their own party. So, since it was clear that the boundaries between the parties did not equate to reality, plans were made for party reorganisation. One of these plans saw the emergence of a new People's Party, established 1917, and intended to unite the old parties. However, it succeeded only in fracturing the political landscape even more. In contrast, since 1917 the social-liberal left wing of the Young Finns, which was strongly dominant within the diffuse party, had been planning to gather all 'progressives' from all existing parties together to form a new 'progressive party'. The words 'progressive party' were there used in a general sense, meaning a party oriented towards social reform. However, these plans were put on hold when the civil war began, and party regrouping had to wait.

During the Finnish Civil War, the bourgeois government strongly aligned towards Germany, and this continued

afterwards. Also, in reaction to the civil war, many bourgeois politicians moved to a more conservative way of thinking. In the autumn of 1918, these processes culminated in an effort to make Finland a kingdom with a German monarch. A clear majority of the government of that time was behind this effort, and it also had quite strong support in the parliament. Three of the old parties – the Old Finns, the Young Finns and the small People's Party – were, however, greatly divided over this question. Although this issue subsided in November, when Germany was defeated in the First World War, the dividing line remained. The time for party restructuring came in December 1918, when republicans of the three parties became the National Progressive Party, and the monarchists formed the conservative National Coalition Party.

The name of the Progressive Party clearly resulted from the plans and aspirations to form a party with progressiveness at its core, and from the use of that term in preceding years. By progressiveness was meant particularly social reformism and democracy

with strong civil rights (i.e. a republic). Liberalism was still clearly the ideology of the new party, more so than it had been with the Young Finns. However, the term liberal was not used in Finland at the time, because it was common to translate political terms into Finnish. Liberal became *vapaamielinen*, literally 'free-minded'. Republicanism was the final uniting theme when the party was formed and the most crucial factor for positioning actors in different parties. So, naturally, the republican ideology gathered many kinds of liberals to the National Progressive Party, very much as free trade gathered different kinds of liberals to the pre-First-World-War Liberal Party in Britain. And, as in Britain, this led to varying disagreements over other issues.

The Young Finns have usually been considered as the main predecessor of the Progressive Party. Their dominant social-liberal wing formed the majority of the new party. The new party's constituent party congress began as a party congress of the Young Finns, though monarchists were also present. Many monarchists were able to accept other parts of the new party's planned programme, but the form of government became a divisive issue. Disagreement was resolved by voting and the republicans won with a vote of 134 to 130. After this vote, the monarchists left the congress. While the progressive majority at the congress was quite small, a clear majority of the Young Finns' newspapers moved to the Progressive Party. At the grassroots level, there is no clear evidence of movement between the parties, although it is quite difficult to ascertain changes since neither party had a strong, full-time organisation. They mainly operated during elections and did not have large numbers of members. However, the election results of 1919 reveal quite a lot. In the 1917 election, the Old Finns had won thirty-two MPs, the Young Finns twenty-three and the People's Party five. In 1919, the National

Coalition Party elected twenty-eight MPs, and the National Progressive Party twenty-six.

Three of the People's Party MPs moved to the Progressive Party and the other two to the National Coalition Party. They were mostly farmers and were mainly centred upon one rural electoral district. Locally, they formed a notable proportion of the new party, but since their former party was quite small, at the national level they formed only a small part of the National Progressive Party. From the Old Finns, a small minority moved to the Progressive Party (one of the very few notable politicians was the future prime minister, T. M. Kivimäki). Since the members that the People's Party and the Old Finns gave to the Progressive Party were in a clear minority in the new party, the vast majority of those who voted for the Young Finns in 1917 clearly moved to vote Progressive in 1919. Though the party restructuring as a whole was quite a complex process, there is a clear continuum from the Young Finns to the National Progressive Party.

The first programme of the National Progressive Party was also developed by the left wing of the Young Finns and intended for their party. With only a few modifications, the drafts became a programme for a whole new party. The aims of the party programme were, inter alia, a minimum wage system, progressive taxation on both earned income and unearned income, and social insurance systems which should mainly be non-contributory and tax financed. The programme also strongly supported government intervention in the economy and recommended some restrictions on the private ownership of land by individuals and corporations. So, within the spectrum of liberal ideology, the National Progressive Party was quite clearly a social liberal party. In many ways the party and its first programme supported policies similar to British New Liberalism.

Finnish Liberalism between the wars

In their ideological orientation towards social liberalism, the founders of the Progressive Party had naturally been much influenced from abroad. Before the First World War, Finland's alignment with Germany, especially in science, was substantial, so the main influence for the Progressive Party's social political programme came from the German *Kathedersozialismus*, but Great Britain's New Liberalism also contributed. A key figure in the British influence was Rudolf Holsti. Between 1909 and 1911, Holsti had worked as the London correspondent for the leading liberal newspaper *Helsingin Sanomat* and he subsequently became editor-in-chief of its foreign news section. He was also one of the leading politicians on the left of the Young Finns Party. Immediately after independence, he acted for some time as an unofficial Finnish representative in London, and, in the interwar period, he was foreign minister in several governments. Holsti was a great admirer of New Liberalism, and especially of Lloyd George and his politics before the First World War. Holsti's influence was one of the main reasons why *Helsingin Sanomat* gained the label of being British-minded. Indeed, in independent Finland, the whole National Progressive Party had a reputation of being anglophile.

Within interwar Finnish politics, the Progressive Party was located in the centre, together with the Agrarian League, which was a class party for farmers. To the right were the conservative National Coalition Party and the Swedish People's Party (and the 1930s fascist-like groups). To the left were Social Democrats and Communists though, due to the civil war and its legacy, the public activities of the latter were mostly illegal in the interwar period. The dividing lines were not stable or strict, but often Agrarians seemed more right-wing than Progressives. And the Swedish People's Party moved towards the centre during that period.

The National Progressive Party started out fairly successfully. In its first election,

in spring 1919, it gained 12.8 per cent of the vote and twenty-six MPs – not universally great numbers, but in comparison to the electoral success of the Young Finns before independence it was a small victory, especially when the National Coalition Party lost four seats compared to the Old Finns' results in 1917, despite gaining many notable Young Finns. The power of the party, though, was not dependent on its electoral success, not even in these first years. It was in its centrist position within Finnish politics and the fact that its ranks included a large number of capable and prominent political figures. It is usually said that the Progressive Party had a small body with a great head, contrasting the numbers of members against notable leading personalities. The party's leading politicians included several professors and other highly educated people, editors of prominent newspapers and high-ranking civil servants. This was very different to the Agrarian League, the other party in the political centre. This was a bigger party immediately after independence whose electoral success increased during the following decades. However, it lacked educated and talented people in its ranks so, especially in the first years, joint governments of these parties were led and dominated by Progressives.

In the first presidential election in summer 1919, the Progressive leader, K. J. Ståhlberg, was elected president by an electoral college composed of MPs, winning 143 votes out of 197. The opposition candidate was C. G. E Mannerheim, at that time regent, who had been leader of the White army during the civil war. Behind Ståhlberg were Progressives, Agrarians and Social Democrats, while Mannerheim was a candidate of the political right (the National Coalition Party and most of the Swedish People's Party). Ståhlberg had been the most prominent person left-winger in the Young Finns (which was characterised sometimes as 'Doctor

Ståhlberg's Party') and he continued to have this status in the National Progressive Party. He was a Doctor of Law and had significant influence over the constitution for the independent Finland. During the battle over the form of government, Ståhlberg led the opponents of monarchy.

At the beginning of his six-year term, most of the political right strongly opposed him. He was considered to be too moderate in his attitude towards the defeated Red side in the civil war, and thus to be risking the victory and achievements of the Whites. However, his term was reasonably successful in shaping the political practices of the new republic and, though not everyone on the right ever accepted him, had he wanted another term, he would have been elected almost unanimously. After his presidency, Ståhlberg was a kind of 'Grand Old Man' of the National Progressive Party and of Finnish liberalism for the rest of his life. He refused to be a candidate in 1925, but later reversed his decision and ran in the presidential elections of 1931 and 1937.

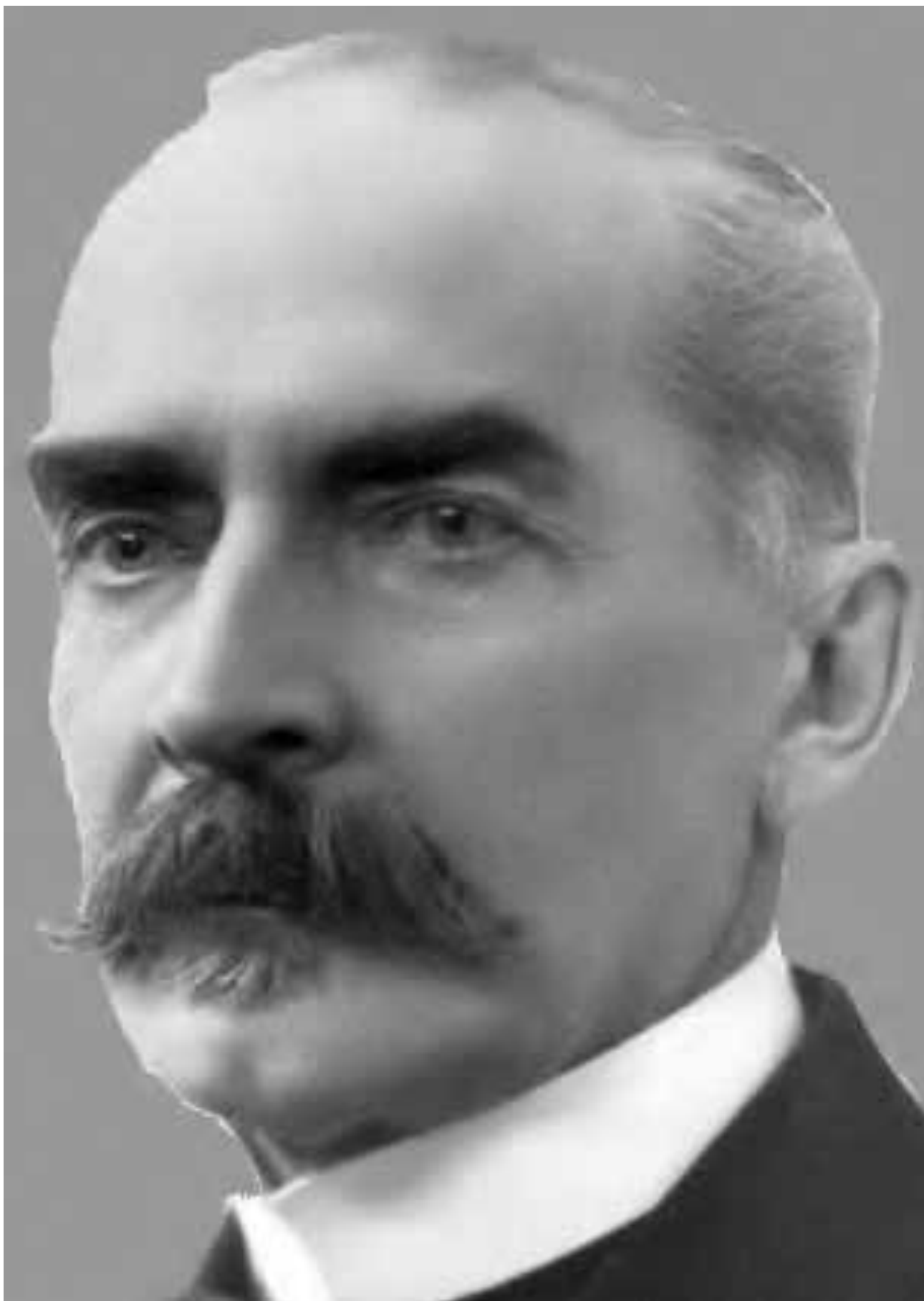
Just after the civil war, Ståhlberg had formulated the foundations for the future in famous articles published in *Helsingin Sanomat*. His contention in these articles was that the wounds of the civil war should be healed, and the unification of the nation must be set as a goal. Any seedbed for future revolutions should be eliminated by social reforms. No radical changes were needed in the course of developing the country. The Red rebellion should not be followed by a precipitous turn in the opposite direction (i.e. reactionary monarchy). The shock of civil war had moved many bourgeois politicians and people in a conservative direction; they thought that democracy had gone too far and balancing restrictions were needed. Ståhlberg's opinion was quite the opposite. His theses became the leading platform for

the Progressive Party as a whole. In the spirit of Ståhlberg's propositions, a reformist social policy became the ideology for the party. With that policy, reasons for the Red rebellion were expected to be removed so the nation

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would unite. Civil war in fact strengthened social reformism and social liberalism in those politicians who ended up in the Progressive Party. The first programme of the party reflects that in its radical nature. Compared to Britain, for example, most of it would likely have won the approval of L. T. Hobhouse, J. A. Hobson and other New Liberals.

After the civil war, the Social Democratic Party was clearly the biggest political party, with between fifty-three and eighty-five seats in parliament in the interwar period. Despite that, due to the shadow of the civil war, it was not totally accepted within the political system. Civil war partition lines between bourgeois Whites and socialist Reds long remained impassable in Finnish politics. Coalition governments between bourgeois parties and Social Democrats became possible only in the late 1930s. Consequently, a Social Democrat candidate was never a real option for president. Since they never won an absolute majority, and they seldom had any chance of gaining support from the other side, they could neither win a presidential election nor form a stable government alone. Collaboration with the Social Democrats was not totally ruled out, especially by the left wing of the Progressive Party, and centrist governments gained support from Social Democrats on several occasions. Even so, the dividing line remained impassable. The Social Democrats were themselves partly at fault. They were not interested in compromises and coalitions with others for



Kaarlo Juho Ståhlberg (1865–1952), first president of Finland (1919–1925)

long. To develop conditions in a direction where the dividing line could be crossed was in the spirit of Ståhlberg's thesis and important to the National Progressive Party; national unification after the civil war was one of the leading aims of the party.

From glorious beginning to slow decline

The first governments of independent Finland were mainly led by Progressives. The period from 1919 to 1924 was called the age of centre politics. Governments were mainly coalitions of parties in the political centre: the National Progressive Party and the Agrarian League. This close cooperation between centre parties was of crucial importance when leading Finland out of its turbulent years and setting the ground for the new independent republic. The centre parties had a common history in opposing monarchy, the Agrarian League being also a staunch supporter of the republic. Ever since the battle over the form of government, both centre parties had a strict attitude towards the right, especially towards the most radical parts of it. Relations were somehow better with the left, despite the dividing line mentioned above.

In the early years of independence and compared, for example, to other Nordic countries, Finland was in many ways significantly lagging both economically and socially. That began to change slowly. One of the major achievements during the years of centre politics was a burst of social reformist legislation. Of course, one reason for this was that during the Grand Duchy the Tsar had vetoed much legislation, so many reforms were waiting. These reforms and several new ones were now put into practice.

Among the reforms of the 1919–24 period were progressive taxation on earned income, compulsory education, new poor laws, reform of the labour code and expansion of land

reform. The groundwork was also laid for many other reforms executed later that decade including laws for collective labour agreements and the mediation of labour disputes. In addition, in the spirit of the national unification policy, many of the Reds still in prison after the civil war were pardoned.

Since Finland had a multi-party system and governments were seldom constructed with only one party, it is generally impossible unambiguously to give credit for the achievements of any government to a single party. Even so, the main credit for the policy achievements of these years goes clearly to the liberals. The policies were clearly consistent with the Progressive Party's programme, and they were usually leaders of the governments. Under their lead, the first steps were taken towards a Nordic welfare state, for which Finland is now well known. The age of centre politics and a moderate attitude towards Social Democrats, and sometimes even a keen interest in cooperating with them, also helped to calm society after the civil war. Despite these achievements, it is worth noting that the more radical parts of the Progressive Party's programme remained mostly unimplemented; for example, any kind of social insurance system was not achieved.

The age of centre politics came to an end in 1924. The Progressive Party formed part of a short-lived government to the next year, but with diminishing influence and only a few seats. The National Coalition Party took part in the governments and the Agrarians found them cooperative. Part of the Progressive Party was keen to take part in that bourgeois cooperation, but most of the party disliked liaisons with the National Coalition Party, so from 1925 onwards the party remained in opposition. The political trend overall moved somewhat to the right.

The National Progressive Party itself also moved to the right. The radical social liberal direction of the party clearly weakened after

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the early years of 1920s. The radical wing of the party, which was the most willing to cooperate with the Social Democrats and the keenest to promote radical social reforms, lost its influence within the party. Some events especially contributed to this process, including Rudolf Holsti, a key radical leader, being forced out of the post of foreign minister in 1922. His foreign policy was in general directed towards the League of Nations and, in those days, especially towards Poland, Estonia, Latvia and Lithuania, the other states bordering the Soviet Union. After he had signed a pact in Warsaw with these states, he was accused of exceeding his mandate and suffered a vote of no confidence. After that he served as an ambassador in various places and was therefore away from domestic politics.

The fate of the most prominent figure of the radicals, Heikki Ritavuori, was more shocking. He was assassinated in 1922 by a radical nationalist who could not stand the moderate policy that Ritavuori as the interior minister, and the Progressive Party as a whole, represented. Ritavuori had been, overall, a leading figure of the radical wing and the main advocate of cooperation with the Social Democrats, and as such subject to constant criticism and hatred from the radical right. In the ranks of the Progressive Party, he was extremely hard to replace. Finally, the leading newspaper of the radical orientation in the Progressive Party, *Karjalan Aamulehti*, ceased publication in 1924, for financial reasons.

This swing to the right is seen also in the modifications of the party programme. The new programme, approved in 1929, still featured social liberalism, but not in as radical a form as ten years earlier. In the new programme, for example, there were several, and clearer, limitations on the state's intervention and participation in the economy. There was also a greater emphasis on the self-reliance of the people and on private entrepreneurship. According to the

programme, economic progress crucially depended on the self-imposed and free action of the people, and private ownership. If compared again to Britain, it is clear that British New Liberals like Hobhouse and Hobson would not have been as satisfied with this programme.

The decline of the party during the 1920s can be seen in the numbers of elected MPs. In 1919 the Progressives had won twenty-six MPs. At the next parliamentary election, in 1922, they won only fifteen MPs with 9.2 per cent of the vote. Continuing governmental responsibility was of course a strain, but also there had clearly been a kind of 'republican surplus' for the Progressive Party in the results of their first election, and in 1922 this 'surplus' melted away. In the 1924 elections there was a small recovery in parliamentary seats – seventeen MPs – though the share of the vote fell slightly, to 9.1 per cent. The Finnish electoral system allows this kind of transition, depending for example on how the votes divide between the electoral districts, or on electoral alliances with other parties. Overall, the electoral system had (and still has) a tendency to favour bigger parties. When a party's level of support fell, it became difficult to get MPs elected from smaller electoral districts. During the 1920s, this was pretty much the case with the Progressive Party in many electoral districts. Electoral alliances, in which the allied parties were dealt with as if they were one party, could help, but there were no obvious suitable alliance partners with agreeable terms to be had, since one which could be useful to Progressives was not necessarily so for the other party. Also, on many occasions ideological disagreements made alliances impossible with left or right. In the 1927 election, decline escalated again: only ten MPs and 6.8 per cent of the vote. This time not even being in opposition helped. The several internal conflicts within the party and

consequences of these conflicts (discussed further below) were apt to reduce support.

The decline of the Progressive Party's influence also meant a shift of power in the presidential castle in 1925, when Ståhlberg's term came to an end. Since he refused to be a candidate, the election was more open. Progressives were not without a chance, even though the party was small and they did not have the widely popular Ståhlberg as their candidate. In practically every presidential election in the interwar period, their candidate was not far from being elected.

After the first election of 1919 the Finnish president was elected indirectly, by 300 electors: representatives who were elected in every sixth year by the same method as the parliament (except there were 300 electors rather than 200 MPs). Such an election could include three rounds: if no candidate gained a majority within the first or second rounds, a third was held between the two who had won most votes in the second.

Partly due to this system, the Progressive candidate was always a potential winner. With prominent candidates for president, the party's success in electoral elections was usually better than in parliamentary elections. Even more significant was that, within the electoral college, a Progressive candidate was for many parties at least an acceptable choice. Particularly important

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was that a Progressive candidate was always the second-best choice overall and the best possible bourgeois candidate for the biggest party, Social Democrats. This was the case in 1925, when Progressive candidate Risto Ryti got the Social Democrats behind him in the second and third rounds. However, this

was not enough and the Agrarian candidate, Lauri Relander, was elected by the votes of the Agrarian League, the National Coalition Party and the Swedish People's Party.

Later, Ståhlberg was twice close to being elected again. In 1931, he lost the third round by 149–151 votes to P. E. Svinhufvud, the candidate of the right and the National Coalition Party. In 1937, Ståhlberg won 150 votes on the first round, i.e., one vote short of a majority. In the second round the Agrarian candidate Kyösti Kallio was elected. The main target for Social Democrats at that time was to block the re-election of the rightist candidate, President Svinhufvud, so they moved their votes from the best possible bourgeois, Ståhlberg, to the second best, Kallio, in the second round, to secure that goal.

In the latter half of the 1920s, the Progressive Party suffered serious damage through internal conflict. The party almost broke in two over the question of prohibition. This had been imposed in 1919; the question became, should there be a referendum to end it. On this issue, the Progressive Party had several international counterparts. For example, in Sweden the liberal party divided in two over the issue of how prohibition could be consistent with the liberal principle of individual freedom. In Finland, this was also the case at some level, but more so it was a moral question for numerous

advocates of temperance. The argument over prohibition calmed down when party leaders withdrew from pursuing a referendum and

ending prohibition (it was finally abolished in 1932 after a clear victory in the consultative referendum). This issue also serves as an example of the prevalent pattern by which the party leadership in Helsinki was more liberal and more ideologically conscious than the grassroots in the country. This was also

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the case over attitudes towards pardoning civil war prisoners; the grassroots were more reluctant than the party leadership to grant those pardons.

Even more harmful was the case of the party's rural wing, which accused the party, and especially its leading newspaper, *Helsingin Sanomat*, of favouring the interests of consumers much more than those of producers. Within the party, these conflicts worsened during the second half of the 1920s, and even caused a schism in the already small parliamentary group. The conflict continued until many members of the rural wing – most of them former members of the extinct People's Party – left the party and moved to the Agrarian League. The departure of the rural wing helps to explain the party's decline in support. This is clearly seen in the electoral district of Mikkeli, which had been the stronghold of the People's Party. The number of Progressives elected from that district fell from three in 1924 to one in 1927 mainly for this reason, and the number of Agrarian League MPs rose from one to four. After the break, the Progressive Party was smaller in size, but internally more united, not least since the rural wing largely consisted of those who were 'less liberal' or less ideologically aware.

Although urbanisation took small steps forward in the interwar period, Finland remained a predominantly agrarian state, so it was not possible for any party to be successful only as an advocate of the urban population. The Progressive Party also tried to consider the interests of the rural population, particularly endeavouring to advance the interests of smallholders. In the party programme, for example, they proposed several ways to guide and educate smallholders and advance the ways they cooperated. In the spirit of liberalism, many of their proposals were more 'help to self-help', instead of direct contributions, so it was easy for clear class parties to exceed these promises. It was

especially difficult for Progressives to fight for the souls of the rural voters against the other centre party, the Agrarian League, so the support in rural areas diminished. Nevertheless, most Progressive votes still came from agrarian areas, before and after the rural wing broke off, even though this majority steadily decreased.

This pattern of support, however, was not necessarily reflected in the representatives elected over the years. In the first parliamentary groups, in 1919–22 and 1922–24, the majority of MPs were from rural areas, most of them being farmers. This changed radically within a decade. In the parliamentary group elected in 1929, there was only one MP from a rural area, all the others being townspeople. After the 1936 election, there were no farmers or rural MPs in the Progressive parliamentary group. Even though the (declining) majority of the vote still came from rural areas, the Progressive Party seemed to appear more and more as an urban party, despite continuing contrary aspirations. Typical supporters of the Progressive Party were civil servants or white-collar workers or were from the liberal part of the middle class. Schoolteachers were always a strong group in the party's ranks. In an agrarian country like Finland this was not a following with which one could succeed.

The MPs in the 1929 parliamentary group reflect the Progressive Party's leading ranks in the late 1920s and 1930s. Three of the seven MPs were professors, one was a high-ranking civil servant, one a schoolteacher, one a shopkeeper and one a farmer. The party's support in rural areas fell, but in cities (and the surrounding electoral districts) where the party had a strong newspaper behind it, it slightly increased. Such areas (and newspapers) included Helsinki (*Helsingin Sanomat*), Turku (*Turun Sanomat*) and Oulu (*Kaleva*). The party's powerful press backing is worth noting. *Helsingin Sanomat*, then as

now Finland's leading newspaper, was the most notable, but such regionally prominent papers as *Turun Sanomat*, *Kaleva*, *Etelä-Suomen Sanomat* and *Länsi-Savo* (which are all still the leading newspapers in their areas) also supported the party, though connections were not always solid: *Helsingin Sanomat*, for example, declared itself independent in 1943, but the slow process leading to that declaration had been going on for over a decade. Still, not even these newspapers could halt the party's decline.

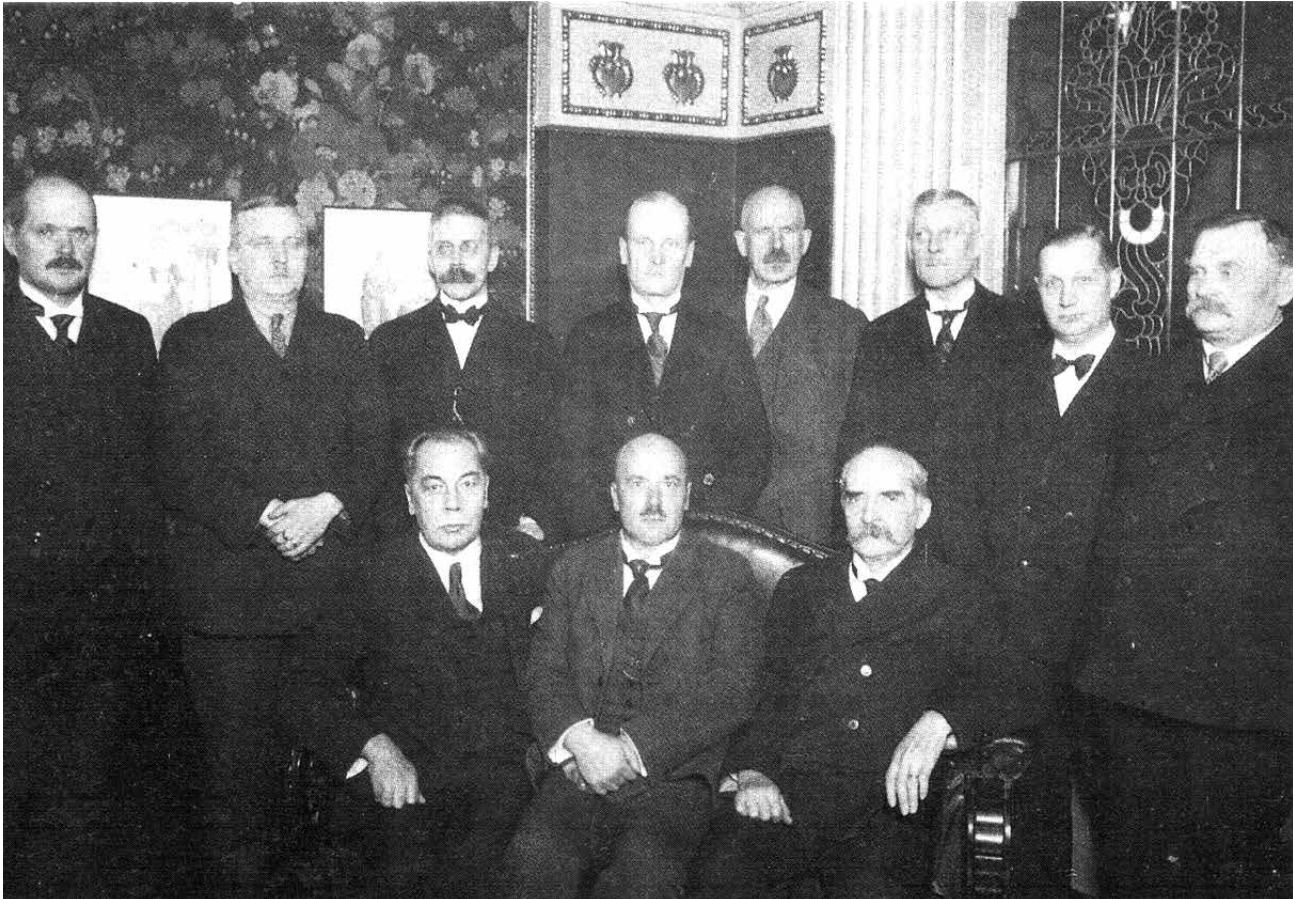
During its internal conflicts, the party was mainly in opposition. The second half of the 1920s was notable for several short-term minority governments, formed usually with the support of only one party. One of these was formed by Progressives, when Oskari Mantere led a rather unpopular government for less than eight months in 1928–29. In this short period, the Mantere government did not have many notable achievements. Responsibility for the unpopular government strained the party's popularity, damaging the party in the 1929 elections, which were the worst so far, with only seven MPs and 5.6 per cent of the vote. The party had declined so much that one could doubt a continuing, prominent role for it in Finnish political life. However, the story of the 1930s is quite the contrary.

More notable policymaker than stature merits

In the early 1930s Finnish society was faced with two serious, linked threats. The first was the great Depression, the second the rise of fascist radicalism, itself partly stimulated by the Depression. Radicalism began as an anti-communist movement later known as the Lapua Movement. In the beginning, even Progressives had some sympathy for it, or at least tolerated it, as long as it focused only on opposing communists and acted within the limits of the law. But when its measures

turned more violent and it started to act even against Social Democrats, it alienated Progressives and other moderate bourgeois groups. The Movement increasingly became an extreme-right, fascist-like group. The final straw especially for Progressives was when Ståhlberg, the Grand Old Man of the party, was forcibly deported by members of the Lapua Movement. They frequently used this kind of forced deportation, often towards the eastern border and Soviet Union. Ståhlberg was not treated violently, but many of these deportations were violent and some even ended in the death of the victim. After that, there was practically no sympathy for the Movement in the National Progressive Party. In fact, in the following years, opposing right-wing radicalism and supporting the rule of law provided a new cause for the party and helped to unite it.

Since republicanism had lost its importance as a unifying issue during the 1920s, strong support for democracy now gave the party a renewed rallying theme. This was important since the National Coalition Party began to waver in its commitment to democracy. The Progressive Party became, therefore, a choice for those bourgeois people who were staunch democrats. This new rise was reflected in election results. While in 1929 the party had won only seven MPs, the next two elections showed a clear increase: in both the 1930 and 1933 elections, the Progressives won eleven MPs. Yet the 1930 election did not reveal a real increase in support. The number of MPs elected rose because of the nationwide electoral alliance between all bourgeois parties (the alliance had been formed in the spirit of anti-communism while the Lapua Movement was still an acceptable force). The share of the vote increased only slightly to 5.8 per cent (compared to 5.6 per cent in 1929), though the 1933 election showed a clear improvement in vote share, to 7.4 per cent. This was reached without any nationwide



The Progressive parliamentary group elected in 1930, which included one former president and three former/future prime ministers – In the front row, from left: Oskari Mantere, T. M. Kivimäki and K. J. Ståhlberg. In the back row, third from left: A. K. Cajander.

electoral alliance but clearly based on the themes of democracy and law.

The Lapua Movement was disbanded after it attempted a coup in 1932, but right-wing radicalism did not disappear. During the early 1930s, Finland was governed by coalition governments which included representatives from nearly every bourgeois party. The last of these governments, led by the Agrarian J. E. Sunila, survived the unsuccessful coup of 1932, but not the pressures of the Depression. The Agrarian League put forward economic proposals which favoured farmers but were unacceptable to the other parties, so the government came to an end. The next government was formed in December 1932 by one of the leading progressives, T. M. Kivimäki, who had been Minister of Justice in Sunila's government. In that post, Kivimäki

had been one of the leading protagonists for the rule of law and one of the strongest opponents of the Lapua Movement. When his government was formed, only the Progressive Party (which then had eleven MPs) and the Swedish People's Party (twenty-one MPs) supported it. So, it was clearly a minority government, and it was not expected to last very long in those unstable days. Despite low expectations, it survived for almost four years and was by far the longest-lasting government of those decades.

Its main task was to try to control right-wing radicalism and to appease the country after the unrest and disorder caused by the Lapua Movement. In this task the government was successful and received much credit from Social Democrats; in fact, the main reason it survived so long was their notable support. As

the Social Democrat leader Väinö Tanner put it, it was the first government in a long time which tried to establish order in the country. Even though the Kivimäki government was in fact right-leaning (Progressive ministers were from the right wing of the party), Social Democrats kept it in power, because of the fear of the next government probably being more right-wing.

The Depression posed a massive challenge, especially in the first half of Kivimäki's government. Although the worst of the Depression had already passed by 1933, real recovery started only in 1934. In fact, the second half of the government's term was dominated by a strong economic upturn but, since the depression had been so deep, its aftermath continued to affect the government's remaining years. Still, Finland recovered from the depression quite quickly compared to many other countries. Besides the government, the Finnish Bank and its director general, Risto Ryti (also a member of the Progressive Party), had a strong impact on operations to rein in the depression. At the Finnish Bank, he worked hard to restore stability and trust to Finnish economic and financial policy. For example, he blocked populist demands to manipulate interest rates. Ryti had a strong influence overall on economic issues and he took part on several different committees which were founded to advise governments on economic issues and to find ways to ease the consequences of the depression. Of course, recovery happened in many ways regardless of the actions of the Progressive-led government and Finnish Bank. The strongest factor was eventually universal recovery which increased Finnish exports and turned the balance of trade to positive. However, Progressive support of free trade, as far as it was practical in Finland, naturally boosted this progress and the Progressive Party clearly had a major role in leading Finland out of the depression.

Nevertheless, during the Kivimäki government the party was again deeply divided between its right and left wings. Kivimäki was the leading figure on the right, supported by the party's leading newspaper, *Helsingin Sanomat*, and its editor, Eljas Erkkö. In addition, Risto Ryti exercised influence in the background. The leader of the left wing was the party leader, A. K. Cajander, even though he was not among the most radical in that wing. The majority of the party was viewed as rather left wing – as were the other liberal newspapers, the most notable, and also most radical, of which was *Turun Sanomat* – and Holsti and Ståhlberg were in the background of that wing. The left wing, especially the most radical part of it, also gathered many young liberals, in many cases those associated with the radical social liberal journal *Nykypäivä*. This grouping could be seen as a renaissance of the radical faction that had faded in the first half of 1920s.

The party's right-wing orientation towards liberalism varied from a kind of moderate social liberalism towards classic Manchester liberalism, sharing ideas with parts of the National Coalition Party, especially when it came to economic policy. Kivimäki enjoyed good relations overall with moderate members of the National Coalition Party, partly due to a shared past within the Old Finns before 1918. Thus, for the right wing, national unification implied that the conservatives of the National Coalition Party should not be isolated, as that would only increase anti-democratic, extreme right stances among them. Instead, by cooperating with them, they could be tied into democratic conventions.

For the Progressives' right wing, there were strict limits as to how far a government could or should intervene in the economy. The Kivimäki government did pass some notable social legislation, for example the law on child welfare and the expansion of

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accident insurance, so social reform was not marginalised; however, the emphasis on it was limited, and usually subordinate to crucial economic laws. It was the same with wage levels, which had decreased considerably during the Depression. Kivimäki was reluctant to regulate wages with legislation. He favoured more voluntary action which did not require government intervention in the economy. Economic freedom was seen as the best way to improve welfare. Self-reliance and individual entrepreneurship were central. For a long time, right-wing Progressives shared some rightists' doubts about Social Democrats.

The left wing of the party, on the other hand, kept the party's agenda of national unification more clearly in mind. They saw Social Democrats as an acceptable partner and had doubts about the National Coalition Party because that party had previously been positive about right-wing radicalism. In ideology, the left wing was clearly social liberal, varying from moderate to very radical. For them social reforms and welfare were central targets, with the most radical seeing self-reliance as marginal. The more government interfered in the economy the better: welfare was best reached through an active government, not through economic freedom. Although Cajander and most of the left were moderates and not so fervent, divisions clearly existed, as many of these views were the opposite of those of the right wing.

This division also extended to foreign policy. The party had always, on the whole, been oriented towards Great Britain and other Western powers, and the League of Nations. Finland as a neighbour of the Soviet Union was quite vulnerable, so it was necessary to seek security for the country. The anglophile element within the party did not disappear, but as international tensions increased during the 1930s, and the League of Nations turned out to be quite weak, the right wing of the party (along with other bourgeois parties)

promoted an orientation towards other Nordic countries (especially Sweden). The left wing, however, maintained its support for the League of Nations.

One of the most notable disagreements, as the cracks within the party deepened, was the relationship with Kivimäki and his government. During the Depression, the government had been forced to interfere in the economy in many ways. That policy was tolerated by the right wing as an exception required by the crisis. The left, on the other hand, welcomed it and looked forward to continuing and intensifying it afterwards. This disagreement did not immediately cause conflict, but after the Depression it was a different matter. As the government executed policies more agreeable to the right wing, it faced rising opposition and criticism from the left. For example, they criticised the government as reluctant and slow to execute social reforms such as minimum wage legislation, though many such reforms were unacceptable to the right wing, as requiring too much intrusion in the economy. Civil liberties issues also caused friction, as the government had been forced to restrict some rights in order to restrain right-wing radicalism. For example, some limitations to free speech aimed to control extreme right-wing anti-state agitation. These illiberal actions were initially accepted by the whole party due to the exceptional circumstances. However, when the threat of right-wing radicalism abated, the government was slow to remove these restrictions, causing criticism especially on the left of the party.

Another reason for declining support for the Progressive Party was the long-lasting survival of the Kivimäki government, and some of its unpopular actions, especially the unsuccessful attempt to shift the language of the University of Helsinki towards more Finnish. This was an issue that caused quarrels repeatedly in Finnish political life in

these decades. Neither did obvious internal conflicts help. This was seen clearly in the 1936 parliamentary election. The party lost vote share (6.3 per cent compared to 7.4 per cent in 1933) and, due to bad luck (and the electoral system), even more seats. It won only seven MPs; the gains of the previous elections were lost. Since the Swedish People's Party had left the government few months earlier, after the election only these seven MPs actually supported the government. Its view was that, since the parliament had not voted a direct motion of no confidence, they still had that confidence. Nevertheless, this situation and the result of the election meant that the countdown for the government had begun.

What occurred when the Kivimäki government finally fell in autumn 1936 is an illustration of the depth of the division in the party. When the crucial vote of confidence began, Cajander and another Progressive MP left to go to the parliament coffee house without taking part in the vote. Consequently, the government fell by a majority of only one vote; Cajander (and that other Progressive MP) had played a crucial role in the fall of his fellow party member's government.

The next government was formed by the Agrarian leader Kyösti Kallio. It was a minority government based on the support of Agrarians and Progressives. Despite everything, Progressives still formed part of the government; most notably, Rudolf Holsti made a comeback as the foreign minister (he was clearly Kallio's choice, as the prime minister had learned to trust his foreign policy skills during their cooperation in the 1920s).

Kallio's government lasted no more than half a year, after he was elected president in February 1937. The change of president in 1937 opened the door for Social Democrats to take part in the government, since former President Svinhufvud had blocked their participation. The Agrarian League and Social Democrats had been negotiating since the

summer of 1936 about forming a coalition government, but these plans were not viable because of Svinhufvud's attitude. With his replacement by Kallio, this obstacle was removed. But even when the consensus for joint government was strong in both parties, they could not agree on who should become prime minister. The compromise was to give that position to the National Progressive Party and its leader A. K. Cajander, while Rudolf Holsti carried on as the foreign minister. The formation of the Cajander government was a historic moment; it marked the point at which the dividing line of the civil war, between Whites and Reds, was crossed for the first time. This was also an accomplishment for the national unification approach, which had been a leading policy for the Progressives. The Progressive Party had a strong role in that, and it gained two very notable posts in this historic government, even though it had only seven MPs at that time.

The way in which this government was formed and Cajander's role in it generated some criticism amongst the right wing of the Progressive Party. They felt that the role of the party had been too passive and close to humiliating, and Cajander, despite being prime minister, was not a true leader of the government, but more a puppet to the bigger parties. In particular, the right wing was suspicious that Cajander might fall in too much with the Social Democrats in the government. These issues were widely discussed in the press and also at the annual party congress later that spring. There were a lot of unprocessed issues to handle, from the circumstances leading to the fall of the Kivimäki government to varying opinions about the Cajander government and the way in which it was formed. The party congress proved to be very quarrelsome, and the party was again at great risk of breaking in two.

A good question is what kept the party together despite this conflict. For many on the

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left, the case was pretty much that, if Kivimäki were to leave the party, the rest could be in agreement. So, the question is also, what kept Kivimäki in the party since there were several rumours about him defecting to the National Coalition Party. There is no all-embracing answer to either question – unless it is liberal ideology after all. Kivimäki identified himself clearly as a liberal, even though his view of liberalism differed in many ways from that of the left wing of the party. It is certain, though, that if Kivimäki and some of his followers had left the party, it would have been a similar situation as occurred in the 1920s with the rural opposition: the party would have been smaller but more united.

It is true that Cajander's role in his government was more that of a chairman and a mediator than of a real leader. But Cajander was quite successful in that role, and even though Kivimäki and the right wing had their doubts, the role of the party was significant. And despite the fact that the programme of the government was mostly formed before Cajander was asked to form the government, there were no real contradictions in it with the programme of the National Progressive Party, at least as interpreted by the left.

Internal conflict in the party reached its peak at the 1937 Party Congress, but after that it started gradually to calm down. Holsti resigned from the government in 1938. The reasons for his resignation were partly health problems (and alcohol abuse), but also pressure from Germany after he had made insulting remarks about Hitler at a diplomatic dinner in Geneva. Cajander's choice for the new foreign minister was Eljas Erkkö, editor of *Helsingin Sanomat*, the leading voice of the Progressive right wing and one of the leading critics of the government within the party. The attitude of *Helsingin Sanomat* towards the government changed immediately after Erkkö joined the government. It also meant that Kivimäki lost a newspaper to voice his

views. Agreement between Cajander and Erkkö was facilitated by Cajander, who was not among the most radical on the left wing, moving slightly towards the centre of the party. Kivimäki was left more or less alone in the right wing, but the most radical left was also weakened as some of its most notable politicians left the party and joined the Social Democrats. At the same time, the radical paper *Nykypäivä* was forced out of the party. So, as the 1930s ended, the party with the goal of national unification was finally also going towards internal unification.

This, however, did not help with the problem of falling support. The last parliamentary elections before the Second World War were held in 1939. The Progressive Party formed an electoral alliance with the Agrarian League in every electoral district. Despite this, the Progressive Party lost one more seat, winning only six MPs. The electoral alliance, though, saved the Progressives from an even greater defeat. Its share of the vote decreased to 4.8 per cent, smaller than ever. The Agrarian League, though, won fifty-six seats, three more than in previous elections, so the Progressives could explain that the election was, after all, a victory for the alliance and the political centre.

Since the two biggest parties, the Agrarian League and the Social Democrats were behind Cajander's government, it enjoyed a strong majority, and it was capable of executing its policy programme. In that kind of centre-left government, social-reformist legislation was naturally in a strong position. Several accomplishments in that field included, among other things, the creation of maternity relief, legal annual leave, retirement pensions and disability insurance, and expansion of accident insurance. In the field of social insurance, improvements were particularly significant, since, until then, accident insurance had been practically the only existing form of social insurance. The Cajander

government was on the way to becoming the most long-standing and effective government in Finland, but the outbreak of the Second World War ruined that. When the Finnish Winter War broke out in November 1939 after the Soviet Union's attack, Cajander's government resigned and made way for a new cabinet. Still, the new prime minister was again from

disagreement over how long and how fast the steps should be taken towards the welfare state, but both Progressive-led governments took those steps.

The achievements in defending and strengthening democracy were also noteworthy. Kivimäki succeeded in calming down the country after the period of right-wing radicalism.

Cajander achieved national unification, a long-standing aim of the Progressive Party, when uniting Social Democrats in a joint government with bourgeois parties. Neither of these was in any way a foregone

For the Progressive Party the achievements of the Kivimäki and Cajander governments were without question significant. Both governments steered Finland notably towards the position of a western welfare state, even though the party was divided over economic and social policy issues.

the National Progressive Party: Risto Ryti. The director general of the Finnish Bank had been considered for a long time the most prominent talent of the party (and maybe of the whole country). He had been the presidential candidate for the Progressives in the 1925 election and after that his name had come up for president or prime minister on several occasions. When the crisis of war came to the fore, he was for many an obvious choice for prime minister. Ryti led two governments, during the Winter War and after it. And he was elected president after Kallio resigned due to health problems in 1940.

Although at the beginning of the 1930s it had looked as though the Progressive Party had shrunk to meaninglessness, it succeeded in halting its decline and exercised a prominent influence in crucial positions for almost the whole decade. Summing up the 1930s, for the Progressive Party the achievements of the Kivimäki and Cajander governments were without question significant. Both governments steered Finland notably towards the position of a western welfare state, even though the party was divided over economic and social policy issues. There was explicit

conclusion. Of the new states that gained independence after the First World War, Finland and Czechoslovakia were the only ones that survived into the 1930s as democracies. When so many European states shifted from democracy to dictatorship, Finland moved in the opposite direction: democracy strengthened in Finland when liberals were leading governments.

The cooperation between the Agrarian League and the Social Democrats has a reputation for building up the welfare state and the role of liberals and the Progressive Party is usually forgotten. However, since governments were always coalitions, it is not right to give the whole credit of these notable achievements to the Progressive Party either; but, since the party was in such a notable position, it does deserve prominent credit.

Despite Ryti being president, the influence of the Progressive Party diminished during the war years. After the Second World War, the influence of the National Progressive Party was not the same any more. Also, electoral success continued to diminish. In the second parliamentary election after the war, in 1948, the party won only five MPs. The

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problem for the party was that in Finland there was no room for an ideologically general party among the pressure of class parties. As early as the late 1930s, the Progressive Party had tried to orient itself towards middle-class interests. After the war, this development continued, but it also caused a new conflict between those who were in favour of this direction and those who were in favour of continuing as a broad-based liberal party. This conflict also finally meant the end of the party. In 1951 those who favoured a class party moved to form a new one: the Finnish People's Party. After that, those who were against it formed the Liberal League. These parties united again in 1965 to form the Liberal People's Party, but it had weakened by the 1980s, leaving no clearly liberal party strong enough to win even a single MP in parliamentary elections.

Finnish liberalism in other parties

Finnish liberalism was manifested in the interwar period predominantly in the National Progressive Party, but not exclusively; there were liberal elements in some other parties too. The conservative National Coalition Party had, of course, in many ways absorbed classical Manchester liberalism, like many other European conservative parties those days. On the other side of the political spectrum, the Finnish Social Democratic Party was clearly a socialist party and more left-wing compared to, for example, the British Labour Party of those days. Only in the late 1930s, when it tried to moderate some of its opinions in the interest of collaboration with centre parties, could it be said to begin to change and contain some social-liberal elements, enabling some radical progressive politicians to join it. They saw that the radical social liberalism they represented could be promoted better within the Social Democrats, and the diluting of socialism in it made changing parties easier.

The Agrarian League was in a unique situation. Its successor party, the Finnish Centre Party, is nowadays a member of Liberal International. Its roots were also partly in the Young Finns movement. It is, of course, possible to find some liberal elements in the Agrarian League of the interwar period. But even so, it was really a class party for farmers. Outside the Progressive Party, liberalism was most clearly found in the Swedish People's Party. The uniting theme of this party was to represent and promote the Swedish-speaking minority in Finland. When it came to other topics, it was quite heterogeneous. Immediately after independence, it was the most right-wing party of the country, a real party of the old upper class. But more moderate elements within it grew stronger in the 1920s. It contained everything from reactionary conservatism to radical liberalism and consequently all kinds of versions of liberalism. The liberal parts were stronger from the 1920s and most of the party was also strongly opposed to right-wing radicalism. The party had a long-lasting collaboration with Progressives in Kivimäki's government. Furthermore, had the conflict about the language question between the Swedish People's Party and the Agrarian League (in which Finnish-speaking nationalism was strong) allowed, the Swedish People's Party could also easily have been part of the Cajander government. Nowadays the Swedish People's Party is also a member of Liberal International.

Conclusion

During the interwar period, Finnish liberalism and the National Progressive Party had a significant impact on the development of the young republic. Even though the party's electoral success fell during that period from twenty-six to only six MPs, that impact did not diminish. The party was a natural party of government and participated in most

governments of that period. It played an especially strong part in governments in the first half of the 1920s, and from 1932 onwards. From its influential position, the National Progressive Party was successful in working towards many of its objectives. Most notably, the first foundations of the Finnish welfare state were laid by the Progressive Party in the spirit of social liberalism. The significance of the party in that process is even more notable because the Social Democrats had only limited possibilities to participate in the state politics

before 1937. The National Progressive Party also played a significant role in defending democracy and uniting the nation after the civil war, which enabled Finland to face the Second World War as a mostly united nation only twenty years later. ■

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