

## The economic and social consequences of WWII in the Finnish historiography

The Second World War began officially with the German invasion of Poland on September 1, 1939. Finland issued its declaration of neutrality in the beginning of September 1939. First, the merchant navy of the country was involved in the war activities, and later the whole country with three different wars during the years 1939–1945. Therefore, the Second World War has traditionally been and still is a very popular topic among historians in Finland; and especially books on military operations and diplomacy have been written and rewritten several times.

Questions concerning the economy during the war years are usually only given a passing mention without any serious analysis on the economic consequences of the war for the Finnish economy. Finland with its 3.7 million inhabitants could be characterized as a Nordic democracy and a market-oriented small open economy, which was highly dependent on the global economy. Therefore the wars had a tremendous effect on the economic life of Finland. Although not all the major structural changes were caused by the war, many of them did start during the war or were accelerated by the wartime crisis. This can, for example, be seen in the development of the modern social welfare state, which owes much to the new values that arose during the war.

The rate of mobilization was high in Finland compared to the other belligerent nations during the Second World War. The structure of the Finnish defense budget was less material intensive than those of the main belligerents. Also, the military expenditures in real terms per person in military duty decreased in Finland during the war years, which was the opposite compared to e.g. Germany or Great Britain.

The Second World War was not totally unexpected in Finland. A temporary law for promoting the capability to defend the country, which widened the wartime rights for the president of Finland, was already approved in June 1939. Finland had also developed some plans for its war economy in the 1920s and 1930s. The key issues in the planning were how the country would be able to ensure the material flows to the military and civilian production units and households. Trade on liquid fuels and lubricants as well as iron wrap was put under state control in September 1939. The plans for the regulation of the Finnish economy were ready but not formally accepted when the Second World War started. The Ministry of Supply was constructed in late September according to the guidelines developed earlier in the 1930s by the Economic Defense Council. Due to the experiences from the First World War, when malnutrition was common among the citizens, the level of preparations was at the highest level in the stockpiling of grain. The first two decades of independence can also be characterized as a period of agrarian optimism: the total acreages under cultivation almost doubled in favour of domestic grain production. This meant a significant growth in the rate of self-sufficiency in cereals, partly due to the warm summers in the 1930s and the import of fertilizers.

First of all, before the 1980s there were not many books on the Finnish war economy during the Second World War. The writings of Kari Nars and Arttu Lehtinen are the most quoted from this period. The book of Nars is a synthesis of the Second World War economy and economic policy in Finland based on printed materials. The article of Lehtinen is a basic account of the war years.

He was the Secretary General of the Ministry of Supply, one of the key persons in the regulation of the economy and preparations for the possible war. Later especially Erkki Pihkala has been active in publishing and writing about the Finnish economy during the Second World War. The first who tried to evaluate the military and other war burdens for the Finnish economy was Bruno Suviranta already in the 1940s. Eino Tirronen has written about the war economy from the perspective of the Finnish defense forces. Heikki Valvanne's research on state incomes and expenses gives us a solid account of the state finances during the war from the fiscal point of view. Raoul Brummert's dissertation on taxation is also worth mentioning here. Finland was also obliged to pay war indemnities in kind to the USSR according to the armistice agreement signed in Moscow in September 1944. Several dissertations and monographs have been written on the Finnish reparations and their economic consequences.

My aim in this preliminary paper is to present writings from different decades on the economic and social consequences of the Second World War for Finland. My focus lies on books and articles written about the "cost of the Second World War" for Finland mainly in history and social sciences.