

# Finland business profile

[Business](#)



Through overlooking European economy the Finish economy and its increasing rate draws our attention. Finland as the 6th largest country in Europe is big and vivid part of European economy which consolidates the financial power of eU. In this paper I would like to present some facts that supports my point and prohibits the components of Finish economy such as globalization of Finish production. However before I proceed to analyze the present economy of Finland let me show you the historical economy overview. The level of wages, indeed of incomes generally, was low before the war compared, for example, with Sweden or Britain.

But the cost of living was very much lower, about two-thirds the Swedish level and probably less than half the British. During and since the war both wages and cost of living have increased greatly; but wages are still in front, and usually well in front. This is particularly true for those sections which, before the war, tended to be poorly paid. Thus from 1938 to mid-1950 wages of male agricultural workers increased over seventeen times, and of female agricultural workers over twenty-two times. The increase for forest workers was over fifteen times, for industrial workers twelve times for men and fourteen times for women.

The basic salary of civil servants had increased only to 976 points but, since the cost-of-living index in the corresponding period and on the same base had risen only to 936 points, even they were very slightly better off. No Finns have big incomes by American, British, or Swedish standards and few have large ones. In 1949 the average income per person, children included, was about 80, 000 marks (? 148). Ordinary workers frequently receive benefits in kind. The big saw-mills and pulp mills often provide excellent

accommodation in model estates at nominal rents, together with social and recreational amenities, the running track and sports ground being invariably high on the list. The national income of Finland (net national product at factor cost) was 29, 900 million marks in 1938, 94, 500 million in 1945, 311, 200, 000 in 1948, and 324, 700 million in 1949 – which gives an estimated increase of 14 percent on the 1938 real national income or, allowing for the increase in population since that date, 7 percent per person.

An important aspect of Finnish occupational statistics is the number of women employed. Women were also employed in many capacities in agriculture and industry including the performance of quite heavy work. The standard of living in the country as a whole is rather low, but that of industrial workers probably compares favorably with most countries in Western Europe. By 1986 postwar economic growth had raised Finland's GDP to about US\$70. 5 billion, making the country one of the most prosperous in the world.

Economic expansion over the years had substantially altered the structure of the economy. By 1986 agriculture, forestry, and fishing had fallen to a little under 8 percent of GDP from nearly 26 percent in 1950. Industry, including mining, manufacturing, construction, and utilities, accounted for about 35 percent of GDP, down from about 40 percent in 1950. Within industry, metalworking had grown most rapidly, its output almost equaling that of wood processing by the late 1970s. In the late 1980s, industrialists looked forward to a shift toward electronics and other high-technology products. ...