

# EXCLUSION FROM WAGE WORK AND REGULATION OF CAPITALISM

A Paper for Industrial Relations in Europe Conference (IREC) 2010  
Fafo, Oslo, Norway  
8<sup>th</sup> – 10<sup>th</sup> September 2010



*"I'm surprised, Marty. I thought you were one of us."*

Ari Nieminen  
Principal lecturer, D.Soc.Sc.  
Diaconia University of Applied Sciences

Sturenkatu 2 A  
00510 Helsinki  
Finland  
tel. +358404845625  
e-mail [ari.nieminen@diak.fi](mailto:ari.nieminen@diak.fi)  
homepage [http://www.elisanet.fi/ari\\_nieminen/index.html](http://www.elisanet.fi/ari_nieminen/index.html)

## Table of Content

Introduction .....	1
1 Theses on Dialectics of Exclusion and Inclusion .....	1
2 Unemployment and Economic Development in Finland 1989-2009 .....	6
3 Policies and Initiatives of Inclusion .....	11
4 From the Present Political Economy of Exclusion to Future Potentialities of Inclusion .....	14
References .....	19

## Introduction

Unemployment, and especially long-term unemployment, is among the most important causes of social exclusion. In so called active social policy exclusion is normally seen as a problem of individuals and as a phenomenon that depends on characteristics of particular groups or individuals. Unemployment and exclusion are, however, strongly affected by economic dynamics and macro political solutions. They should not be treated solely as problems of individuals.

This conference paper analyses exclusion from wage work as part and parcel of capitalism and dynamics of its politico-economic regulation. Empirically this writing concentrates in Finnish case, but I believe that many of its considerations and findings may well be interesting and relevant for the readers from the other countries as well.

In the beginning of the paper (1 Theses on Dialectics of Exclusion and Inclusion), I will introduce dialectics of exclusion and inclusion concentrating especially in the close relations between exclusion, unemployment and capitalism. Secondly, major trends in unemployment and the economy of the recent 20 years are presented (2 Unemployment and Economic Development in Finland 1989-2009). During this period of time the Finnish society and economy have gone through two serious economic recessions and the country's economy has changed, Europeanized and globalized considerably. At the same time, unemployment has risen dramatically. Politicians and other actors have attempted to solve the problem of unemployment with diverse means, these are described and analysed in the third section of (3 Policies and Initiatives of Inclusion). These means and initiatives show actually what kinds of policy measures have been possible in the regulative system of the Finnish capitalism. Expressed in more general terms, a socio-economic system reveals its true character by accepting and denying particular developmental possibilities. The paper closes by presenting summarizing characterisation of exclusion from wage work and regulative system of Finnish capitalism (4 From the Present Political Economy of Exclusion to Future Potentialities of Inclusion). The final fourth section of this paper discusses also future possibilities of socio-economic inclusion since even if certain potentials and possibilities have not realised themselves in the recent past, they may be realised in the future. Therefore, these potentialities should be kept in mind.

All comments to this paper are very much welcomed.

## 1 Theses on Dialectics of Exclusion and Inclusion

Since the 1980's "exclusion" has gradually gained weight and importance in (social) political discourse. The present European discourse of exclusion originates from France but the main actor responsible for its spreading has been the Commission of the European Union. The notion of exclusion broadens traditional social political notions of poverty and impoverishment to multidimensional notion that includes just about any individuals and groups who do not fit into the normal life-cycle of average wage-earner with at least basic level of education and a consumption pattern to match. (Vleminckx & Berghman 2001, 28-29, 37.) For instance, the EU's Joint Report on Social Inclusion 2004 defined social exclusion in the following way:

Social exclusion is a process whereby certain individuals are pushed to the edge of society and prevented from participating fully by virtue of their

poverty, or lack of basic competencies and lifelong learning opportunities, or as a result of discrimination. This distances them from job, income and education opportunities as well as social and community networks and activities. They have little access to power and decision-making bodies and thus often feel powerless and unable to take control over the decisions that affect their day to day lives. (European Commission 2004, 10.)

As can be seen from the above definitions political discourse, or ideology of exclusion, constructs a close relationship between exclusion, incomes and wage work (on discourse of exclusion see Helne 2002 and Juppi 2010). It is at this point where social policy, the political economy of capitalism and industrial relations meet each other because regulation of exclusion from and inclusion to wage work is a crucial issue in social policy and in regulation of the economy and industrial relations. In the following paragraphs I will present my suggestions for definition of exclusion in the context of the capitalist economy. I will do this by stating a number of theses concerning exclusion and capitalism. However, processes of social inclusion and exclusion are basic operations of human social integration; they cannot be reduced to the functioning of modern society and capitalism. Hence, five theses concerning social exclusion in general are introduced first in the next paragraphs.

First, exclusion has a dialectical relationship with its counterpart, inclusion. They are both active social actions and processes; individuals and groups are actively excluded from one group and included to another group (also normal dictionary meanings of exclusion and inclusion have this active modus, see Brown 1993). This does not, however, mean that people are necessarily fully conscious of those actions of exclusions and inclusions to which they participate (societal unconsciousness of exclusion is handled in the last section of this paper).

Secondly in dialectics of exclusion and inclusion, exclusion from one group leads normally to inclusion to another group. Such divisions give birth to defining of diverse in-groups and out-groups. Dichotomisation when defining "excluded" and "included" explains why social distance between excluded and included can be regarded as very wide even in situations in which the actual characteristics of these groups resemble each other (see the picture in the front page of this conference paper cited from Deaux, Dane, Wrightman & Sigelman 1993, 365).

Thirdly, in rare cases in which exclusion means total disintegration from a social configuration excluded individuals and groups cease to exist to the excluding system; their existence is unknown or totally denied by members of a society. Diverse conceptual possibilities outlined in the above theses one to three are illustrated by a cross-tabulation in Table 1.

**Table 1. Combinations of Exclusion and Inclusion**

		Exclusion	
		Yes	No
Inclusion	Yes	member in high-grade or low-grade in-group	member in all social groups
	No		total disintegration

Hence, in a normal case individuals are excluded from numerous out-groups and included to several high- or low-grade in-groups. The case in which members of a society are included in all groups represent an old utopia of the unity of mankind. Total disintegration means that the existence of individuals and groups is not recognized at all. Lastly, the case in which

individuals and groups are excluded from all in-groups but not included into any out-group does not exist – even enemies are included into the category of “enemy”.

Fourthly, dialectics of exclusion and inclusion includes numerous phenomena like social psychology of in-groups and out-groups, biased ways of observing out-groups, production of corresponding identities and counter identities, unwanted feelings and own characteristics can be defensively projected to the members of an out-group, prejudices concerning underdog out-groups can be used to justify their exploitation and so on (see Deaux, Dane, Wrightman & Sigelman 1993, 362, 364-370; Kristeva 1997, 191-200).

Fifthly, the basic social processes of exclusion and inclusion are simple. Yet, because individuals and groups belong to multitude of overlapping groups and social categories their socio-economic positions consist of mixed combinations and networks of high- and low-ranking in-group and out-group positions. The following table (Table 2) illustrates inclusion and exclusion in different areas of social integration (on different areas of societal exclusion see Byrne 2005).

**Table 2. Inclusion and exclusion in societal integration**

<b>Realms of societal integration</b>	<b>Inclusion</b>	<b>Exclusion</b>
<b>Communal socialization (Vergemeinschaftung)</b>	<b>shared collective identity, in-group</b>	<b>out-group, "others"</b>
Spatial order	shared regional existence	unfamiliar regions
Everyday culture	similarity of material culture, habits and language / dialect	unfamiliar habitus
<b>Associative socialization (Vergesellschaftung)</b>	<b>participation in economic, political and social exchange</b>	<b>no participation in economic, political and social exchange</b>
Income	income that ensures taking part in average in-group activities	income differs clearly from average in-group income
Employment	gainful employment or other generally accepted way of gaining income	unemployment
Power relations	powers to affect diverse decisions	under powers of others

In Table 1 different forms of inclusion and exclusion are divided into two broad categories of social integration, communal and associative socialization (Vergemeinschaftung and Vergesellschaftung) and these broad categories are further divided into subcategories. These subcategories stress the subject matter of this conference paper, (un)employment and regulation of capitalism. As can be understood from Table 2, individuals and groups may be included and excluded in many different ways.

It may seem that the above presented theses of general social exclusion and inclusion offer a too far-fetched perspective to the theme of exclusion in the context of social policy, regulation of capitalism and industrial relations, but I believe that organising wage work falls under the general rules and institutional practices of social integration and that it is therefore reasonable to deal questions of exclusion and regulation of capitalism within the

broad perspective of societal integration. A sporadic example may clarify this idea. In a Eurobarometer survey from the year 2008, the respondents were asked to name factors that would put people into a disadvantaged position when applying for a job. The question also included an assumption that the skills and qualifications of compared applicants would be at the same level. The most common reply (50%) was that the “look, dress sense or presentation” would cause disadvantage the next disadvantageous factors were age (45%), skin colour or ethnic origin (42%), disability (41%) and general physical appearance (about 35%) (European Commission 2010, 22, 25). Indeed, aspects of general societal integration, or communal socialization, presented in Table 2 seem to play a role when decisions of inclusion and exclusion to wage work are made.

The above presented general elements of inclusion and exclusion must be complemented by factors that apply particularly to the inclusion and exclusion to wage work in the capitalist economy. Below, six additional theses concerning inclusion and exclusion to wage work are presented.

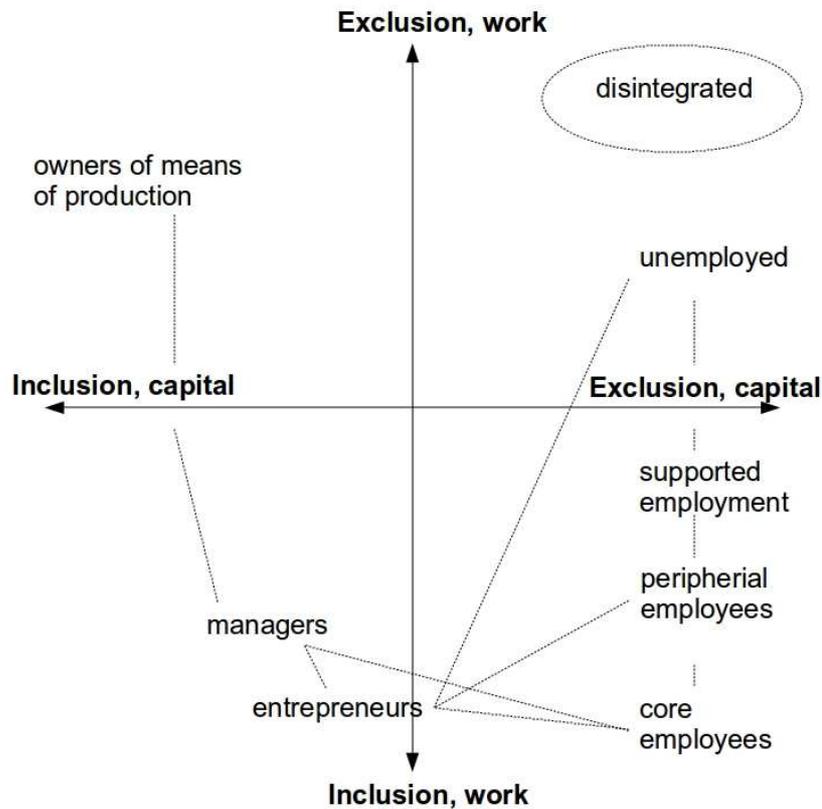
First, private ownership of the means of production forms basis of exclusion from wage work in capitalism. A great majority of population is excluded from the ownership of the means of production and decision making rights concerning production of goods and services. (See Marx [1890] 1974, 159-161 and Koch 2006, 1-8.) Secondly, as self-evidently as the wage workers are excluded from the managing of production, the managers of capital are included into it. These fundamental exclusions and inclusions constitute basis of class relations at the macro and micro levels of a capitalist socio-economic order.

Thirdly, gainfully employed (wage workers and small entrepreneurs as a minority) are included into productive work but they are threatened by exclusion (firing or bankruptcy). In addition to the modern ideology of work, sometimes referred as “work ethics”, this threat creates disciplinary pressures to employees. Employers’ right to hire and fire employees is a fundamental basis of their power position in the economy and society. Fourthly, “unemployed” are excluded from wage work but included to the “labour force”.

Fifthly, only those that are outside of the labour force and dependency of the capitalist economy are excluded from direct necessities of the capitalist economy (children, pensioners, people living of some treasury or alternative economic form).

Sixth, the basic situation of inclusion and exclusion in the capitalist economy can be conceptualized in a Marxian way by constructing social classes of capital and labour (see theses one to two above) but historical configurations of political economy are much more complicated. It is therefore reasonable to grasp these diverging configurations with Weberian tradition that is, as Max Koch has put it, “interested in the different forms of that exclusion takes at the level of the distribution of social wealth and in non-economic social fields” (Koch 2006, 9). These configurations give birth to diversified material bases of individual and group interests. These interest positions are illustrated in Figure 1.

**Figure 1. Inclusion, exclusion and interest positions**



In the left-hand side of Figure 1 diverse positions of capital owners (excluded from work but included to capital), managers (included to functions of capital and work to diverging degree) and entrepreneurs (included to capital and work) are presented. The right-hand side presents diverse positions of workforce and those disintegrated from the system. Core employees of private firms and public sector are quite securely included to wage work and excluded from functions of capital. When moving from the position of core workers to the direction of unemployed the socio-economic position of wage earners becomes more precarious. These all groups belong to the “labour force”. “Supported employment” refers to employment that has been subsidized by the public sector. Lines drawn between diverse positions indicate possible movement between socio-economic positions. “Disintegrated” are all those people that are excluded both from the wage work and functions of capital (children, students, pensioners and so on).

In a way, Figure 1 makes an old point. Even if exclusion in capitalism is fundamentally a class issue (see Byrne 2005, 177) it is not solely a class topic. Diverse interest positions of employees give rise to contrasting positions in the capitalist economy. Hence, the unity of class action is very difficult to attain even if the capitalist economy in principle divides people neatly into owners and managers of capital and wage workers (see, for example Weber [1922] 1985, 177-179). At the level of every-day politics and in social political discourse this perspective of class is normally – well – excluded. In addition, in different modes of historical capitalism the relationships and organisational patterns of the groups presented in Figure 1 differ from each other leading to divergent national systems of welfare-states, industrial relations and regulation of capital (see, for instance, Nieminen 2005;

Koch 2006). In these national regulative systems dialectics of inclusion and exclusion differ from each other as for example Gösta Esping-Andersen has shown in his influential book *The Three Worlds of Welfare Capitalism* (Esping-Andersen 1990).

## 2 Unemployment and Economic Development in Finland 1989-2009

After dealing with conceptual topics in the first section of this paper, this second section handles empirical developments of unemployment and the economy in Finland from 1989 to 2009. Table 3 presents basic data concerning unemployment and poverty.

**Table 3. Unemployment, long-term unemployment and people receiving income support?) 1989-2009 (%)**

Year	Unemployment <sup>1</sup>	Long-term unemployment <sup>2</sup>	Receivers of income support <sup>3</sup>
1989	3	2	..
1990	3	..	..
1991	7	9	7
1992	12	..	9
1993	16	31	10
1994	17	..	11
1995	15	38	11
1996	15	35	11
1997	13	30	11
1998	11	28	10
1999	10	30	9
2000	10	29	9
2001	9	26	8
2002	9	24	8
2003	9	25	8
2004	9	23	7
2005	8	25	7
2006	8	25	7
2007	7	23	6
2008	6	18	6
2009	8	18	..

.. Data not available.

<sup>1</sup> Unemployment rate as % civilian labour force.

<sup>2</sup> Unemployed for more than 1 year as % of unemployment.

<sup>3</sup> Receivers of income support as % of 25-64 year old population.

Sources: OECD 2010 (unemployment); Sotkanet 2010 (receivers of income support).

Table 3 shows the drastic consequences of the economic recession in the beginning of the 1990's. In few years time, unemployment rate rose from 3 to 17%, and the share of long-term unemployed of all unemployed from 2 to 38%. Also the share of receivers of income support rose but much less, most likely because most of the unemployed received financial support from unemployment insurance and not from the public sector social help. After the first half of the 1990's, the situation has got better but part of the unemployment has been transformed to structural unemployment and unemployment figures have remained at a relatively high level. In 2009 a new economic downturn caused increased unemployment again. The increase of unemployment since the beginning of the 1990's has been associated with an increase of relative poverty (poverty rates as 50% of median income) as well, though the level of relative poverty as percentage of population by the mid 2000's was lower than in the mid 1970's (OECD 2009):

mid 1970's: 9.9  
mid 1980's: 5.1  
mid 1990's: 4.9  
mid 2000's: 7.3

Hence, unemployment has caused increased poverty but activities of the Finnish welfare state (unemployment insurance, diverse forms of economic support) have been able to reduce its effects to a considerable degree. For instance, according to the OECD statistics, without taxes and transfers the Finnish poverty rate in the mid 2000's (as 50% of median income) would have been 17.6% instead of 7.3% (OECD 2010).

The general level of unemployment hides divergences among groups. Table 4 displays unemployment among foreign-born, young and in a peripheral area, in this case Lapland. The table does not include comparisons between sexes since differences of unemployment between women and men have been relatively small, from 4 to 0% (Hulkko & Tossavainen 2009, 189).

As can be seen from Table 4 exclusion of foreign-born, young and peripheral population was especially harsh during the recession in the 1990's but the unemployment among these groups has been well above average also during the period of stable economic growth from the mid 1990's to the late 2000's. These figures show that to entry into the gainful employment is not easy, and that if an area where one lives does not belong to the economic growth centres the risk of being excluded is high.

In thesis five concerning exclusion in capitalism (see also Figure 1) it was pointed out that diverse groups of employees have different kinds of interest positions; every employee does not share a similar position in the division of power and wealth. To examine these differences Table 5 presents unemployment by occupational status.

**Table 4. Unemployment among foreign-born, young, in Lapland (%)**

Year	Foreign-born <sup>1</sup>	20-24 years old <sup>2</sup>	Lapland
1989	..	6	..
1990	..	7	..
1991	..	13	13
1992	..	23	21
1993	..	30	26
1994	..	31	27
1995	30	27	26
1996	..	25	26
1997	..	21	25
1998	..	20	23
1999	..	16	22
2000	32	17	21
2001	..	16	20
2002	..	16	19
2003	19	18	18
2004	23	17	17
2005	23	16	17
2006	18	15	16
2007	15	12	13
2008	..	12	13
2009	..	17	..

.. Data not available.

<sup>1</sup> Unemployment rate among foreign-born labour force.

<sup>2</sup> Unemployment rate among 20-24 year old labour force.

Sources: OECD 2010 (foreign-born unemployment); Tilastokeskus 2010a (youth unemployment); Sotkanet 2010 (unemployment in Lapland).

**Table 5. Unemployment by occupational status 1990-2008 (% of sum of employed and unemployed)**

Occupational status (ISCO-1968)	1990	1994	1999	Occupational status (ISCO-1988)	2008
Professional, technical and related workers	1	9	6	Legislators, senior officials and managers	2
Administrative and managerial workers	1	5	2	Professionals	3
Clerical and related workers	1	11	5	Technicians and associate professionals	4
Sales workers	2	13	11	Clerks	6
Service workers	3	17	11	Service workers and shop and market sales workers	6
Agriculture, animal husbandry and forestry workers, fishermen and hunters	3	11	8	Skilled agricultural and fishery workers	5
Production and related workers, transport equipment operators and labourers	4	20	10	Craft and related trade workers	6
Not classifiable by occupation	20	27	14	Plant and machine operators and assemblers	5
				Elementary occupations	12
				Not classifiable by occupation	71
Total unemployment rate	3	16	10	Total unemployment rate	6

Source: ILO 2010.

Interestingly, the unemployment has been the lowest among those groups (professionals, technical and related workers, administrative and managerial workers, legislators, senior officials and managers) that occupy high positions in hierarchies of work organisations. For instance, in 1994 unemployment rate among administrative and managerial workers was 5% and among production and related workers 20%. It could be assumed that higher ranks of employees are more productive or otherwise crucial for organisations and their unemployment rate is therefore lower than among other groups; but an equally plausible explanation is that these well-positioned groups are in better position to safeguard their interests and their employment situation is therefore far better. An example from the realm of industrial relations clarifies this. In autumn 2007 the Confederation of Finnish Industries announced the end of centralized tripartite negotiations and simultaneously they decided to abolish their industrial relations unit. This organisational change was, however, due to be realised only after the retirement of the head of this organisational unit (Eiro 2008, 1). In this case it appears that a whole organisational renewal was made dependent on particular interests of a singular high-ranking employee. However, Table 5 shows that in the worst position are workers without classifiable occupation, these people are most likely people without basic or occupational education. These figures underline just how important formal education is as a prerequisite of inclusion to wage work in Finland. Educational system appears to be the most important gate-keeper of wage work.

Economic ups and downs explain a great deal of unemployment in capitalism. It is therefore motivated to take a look at some basic economic statistics that shed light to changes in unemployment and dynamics between economic development and exclusion. Table 6 shows changes in gross national product, exports of goods and services, net outflows of foreign direct investments, operational surplus of firms (i.e. profits) and compensation of employees as percent share of gross national product.

**Table 6. Yearly gross domestic product change (%), exports of goods and services, net outflows of foreign direct investments (FDI), operational surplus, compensation of employees (% of GDP)**

Year	GDP	Exports	FDI	Surplus	Compensation
1989	5	23	3	26	53
1990	0	23	2	26	55
1991	-6	22	-0	23	58
1992	-4	26	-1	26	56
1993	-1	32	2	30	52
1994	4	35	4	32	51
1995	4	36	1	33	50
1996	4	37	3	32	50
1997	6	39	4	33	49
1998	5	38	14	34	48
1999	4	39	5	34	48
2000	5	44	20	35	47
2001	3	41	7	35	48
2002	2	40	6	35	48
2003	2	39	-1	34	48
2004	4	40	-1	34	48
2005	3	42	2	33	49
2006	5	45	2	34	49
2007	4	46	3	35	48
2008	1	44	1	33	49
2009	-8	..	..	30	53

.. Data not available.

Sources: World Bank 2010 (GDP, exports, FDI); OECD 2010 (surplus, compensation); Tilastokeskus 2010b (GDP change 2009)

The first column of Table 6 depicts yearly changes of gross national product. It has varied exceptionally much during the recent twenty years. First, in the beginning of the 1990's a recession is reflected in a dramatic drop of gross national product and even more dramatic rise of unemployment as presented in Table 3. In year 2009 gross national product fell again dramatically -8 percent, but this drop did not lead to corresponding rise of unemployment. A reason for this might be that firms and public sector had already done drastic "rationalisation" during the 1990's and that there is simply less room for further reduction of work force. Another reason is that the government has led the public deficit to grow and thus supported public employment and the economy. Recession, Finnish membership of the European Union (2005) and interests of firms to internationalize their activities have caused considerable Europeanization and globalisation of the Finnish economy. Exports' share of gross national product has risen from little over 20% to over 40% during the last twenty year. Also outward foreign direct investments have been rising.

Exclusion from wage work has not been disadvantageous for firms since their surpluses (profits) have risen from the level of 26% of gross national product (1990) to over 30% of gross national product in the 2000's. At the same time the share of compensation to employees have shown declining tendency, though this tendency has been more moderate.

In short, in Finland the risen level of exclusion has been concurrent with economic success and increasing globalisation of the economy. Whether the economic success has been because of exclusion or in spite of it cannot be said for sure. Yet, rationalisation, that is, firing of employees, has increased per capita productivity and unemployment does create disciplinary pressures to employees which most likely lead to intensification of working.

### 3 Policies and Initiatives of Inclusion

The functioning of the labour markets and the capitalist economy have excluded a great number of people from gainful employment as shown in the previous section. Diverse social political measures have attempted to support the unemployed and thus enhanced their inclusion into the society and economy. The main means of this inclusion have been diverse passive and active labour market measures within the framework of the Finnish welfare-state. The share of labour force that has taken part in diverse labour market policies is depicted in Table 7. Unfortunately, data for years prior to 1998 was not available in the OECD database.

**Table 7. Participants on labour market programmes (% of labour force)**

Labour market programmes	1998	2002	2007
Training	2.87	1.61	1.86
Job rotation and job sharing	0.43	0.30	0.29
Employment incentives	0.36	0.68	0.60
Supported employment and rehabilitation	0.35	0.36	0.31
Direct job creation	1.04	0.46	0.51
Start-up incentives	0.10	0.07	0.17
Out-of-work income maintenance and support	13.7	11.2	7.2
Early retirement	1.78	2.08	1.69
Sum	20.63	16.76	12.63

Source: OECD 2010.

Table 7 shows that participation to diverse labour market measures exceeds well unemployment figures. For example, in 1998 unemployment was 11% (see Table 3) but participation to diverse labour market programmes over 20% of the labour force. This shows that without activities of the welfare-state the unemployment situation would be much worse than the already relatively high unemployment figures indicate. In other words, the economy has been quite exclusive in recent years. Another crucial observation from Table 7 is that even if there has been a lot of fuss about activating of unemployed, the passive measures of income maintenance and support take the lion's share of all policy measures and approximately equal number of people have receiving training (active labour market measure) or have retired early (passive labour market measure).

Figures shown in Table 7 provide a good overview of the activities of the Finnish welfare-state in relation to the unemployment, but what have been the policy debates and initiatives in relation to the severe unemployment? Unemployment and social exclusion have been given quite a lot attention in political debates and governments' policy programmes but this has happened in the framework of traditional Finnish economic policy that stresses the economic growth and the success of exporting industries as fundamentals of a good employment situation.

No political party or labour union has attempted to raise the unemployment topic itself to the status of a main political issue. Unemployed themselves have organised three demonstrations, so called "break Thursdays" (*murrostorstai*), in years 1993, 1996 and 2009 in the context of the most recent economic downturn. These demonstrations have attempted to politicize unemployed (Wikipedia 2010). Especially the first of these demonstrations was given large media coverage because the participants voiced their demands quite aggressively at the front of the Parliament. Police warned the members of the Parliament that if they went among the demonstrators their safety might be in danger. Also the Central Organization of Finnish Trade Unions (*Suomen Ammattijärjestöjen Keskusliitto*), a powerful confederation of blue-collar unions, took part in organising another demonstration of the unemployed but as the demonstrators demanded resignation of the government the Central Organisation of Finnish Trade Unions decided not to organise such demonstration any more. The unemployed have established a number of regional organisations that have also a national central organisation but these organisations have functioned more as social political organs than as political interest organisations of the unemployed. They have offered diverse activities and supported employment to the unemployed but they have not put forward political demands concerning exclusion from gainful employment. It seems fair to say that excluding a few attempts, the potentially political question of unemployment has been successfully restricted and defined as a problem of social policy or it has been subordinated under other interest in the economic policy making.

The Finnish labour unions have not gone to the barricades because of the jobs but they have defended the economic interests of their (un)employed members. In 1992 when the centre-right government was in power, the unions threatened the government with a general strike if it cut unemployment benefits as it had proposed. The government backed down. The same conflict situation was repeated in 1993 when the government wanted to lower the threshold for employing a young person. The government wanted to lower the threshold for employing young novice workers by lowering their wages. The same situation recurred in the spring of 1996 when a Rainbow Government (right and left wing parties and the Greens) was in rule. The government wanted to cut unemployment insurance more than the unions thought had been agreed before. This led to a general strike threat in the spring of 1996, and the government backed down. The main reason for the unions' strong defence of unemployment insurance is that unemployment benefit societies are operated by trade unions. The system of unemployment insurance makes up one of the cornerstones of the unions' strong position in Finnish society. (Kauppinen 1997, 38, 44-45.)

An important and appealing initiative of inclusion has been the idea of job sharing. Indeed, it is irrational that at the same time as many people are doomed to unemployment those employed are working under an increasing stress (Julkunen & Nätti 1997, 9). In fact, the recession in the 1990's led to a strong increase of productivity and by the late 1990's a considerably less workers produced a bigger gross national product than in the beginning of the 1990's (see Table 6). In this kind of a situation, job sharing seems to offer at least a partial inclusive solution to the problem exclusion from wage-work.

In the 1990's, a number of experiments and attempts of job sharing were realised in Finland. These experiments and attempts included (Julkunen & Nätti 1997, 127-164):

- Subsidized part-time work in which part-time work is subsidized if it leads to employment of an unemployed person.
- Six hour working day that would increase the need for employing more employees.
- Reorganisation of working time into two six hour shifts (6+6 working time model). This system would allow longer operational hours and it would lead to additional demand of employees.
- Sabbatical leave in which an employed person takes a leave and at the same time an unemployed is hired as a replacement.

These intriguing experiments and job sharing in general have remained marginal in Finland as can be seen also from Table 7. The sabbatical leave system has proved to be the most successful form of job sharing. The temporary legislation of sabbatical leave has been extended and the compensation for persons using it improved (Eiro 1999, 2; Eiro 2008, 3).

Why job sharing has not gained ground as an answer to the unemployment problem in Finland? According to Julkunen and Nätti (1997, 24-33) there are three main routes to full employment: growth based full employment, policy line of economic liberalism that allows wages to adjust to the needs of labour markets (or to the needs of employers), and a policy line that is critical to "work society". Social democratic growth based full employment stresses an economic policy that supports the economic growth, education, technological innovations and so on. In this policy line, job sharing has only a minor role to play as a temporary solution to unemployment. An alternative red-green policy line takes a critical stance towards a "work society". It would guarantee basic income for all, common job sharing through shortened working-time and it would strengthen the role of citizen and third sector activities. Ulrich Beck, André Gorz and Claus Offe, among others, have pledged for this kind of solution. Conservative / (neo)liberal solution would lead wages to diminish until enough demand would have been created at in the labour markets. In this model, job sharing as a policy that would disrupt functioning of markets, has of course no place.

The Finnish employment policy has so far followed mostly the social-democratic solution, though this policy has mainly concentrated in financial support of unemployed instead of active labour market measures (see Table 7). It seems fair to say that in Finland organised capital and labour constitute a productivistic alliance that believes in the economic growth and that it will bring benefits to the capital and labour alike (see Julkunen & Näkki 1997, 103; Eiro 2002). Also Finnish governments, regardless of their political constitution, tend to adhere to this ideology. For instance, in summer 2010, the government stated that (Finnish Government 2010):

For Finland to pull through, necessary elements include enabling growth, raising productivity, extending working life and curbing expenses. In addition, reforms to boost employment and a structural reform of taxation to increase tax revenues are needed. --- The Government seeks to provide conditions for faster-than-projected economic growth and a higher employment rate in the entire country.

A national productivistic alliance of organised capital, labour and the main political parties is prepared to let unemployment rise if an economic downturn takes place. The costs of this exclusion are but to employees who pay for their unemployment insurances and the public sector. In comparison to the power of this variant of social-democratic solution, the other two

solutions of economic policy, liberalism and green-red policy, have remained marginal in Finland.

In the next section I will try to summarise the main points and arguments of this conference paper by placing exclusive and inclusive policies into their national framework of political economy.

## **4 From the Present Political Economy of Exclusion to Future Potentialities of Inclusion**

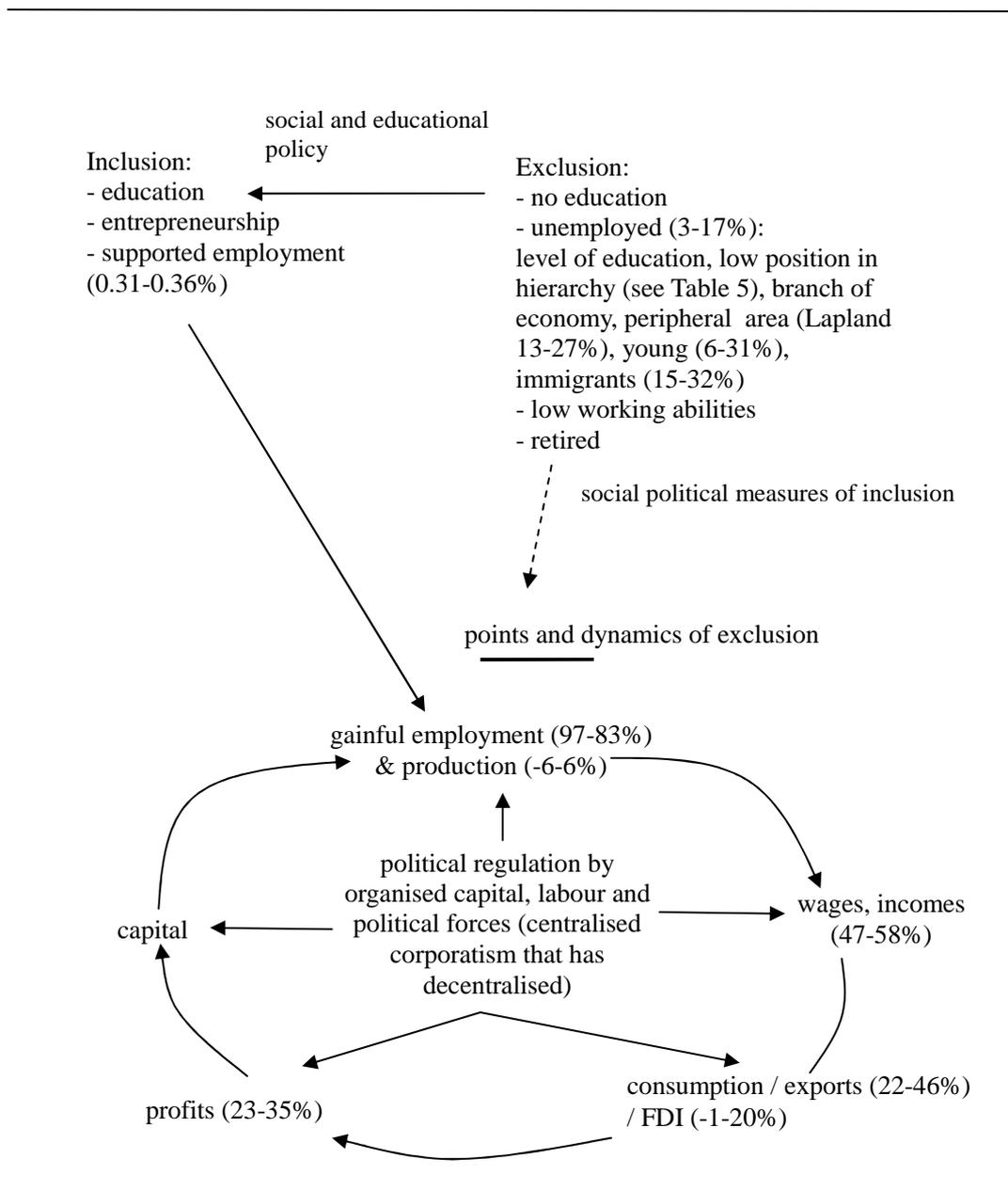
Finnish capitalism is without a doubt mature / Fordist / post-fordist capitalism in which the capitalist economy ensures its own reproduction. This reproduction takes place via virtuous circle of production (wage work) which ensures incomes for workers who then consume produced goods and services, or part of these are exported and consumed elsewhere (see, for instance Nieminen 2005, 137-139). Through domestic and foreign consumption capital is able to make profits and accumulate capital which ensures further production (wage work). This last connection closes the virtuous circle of reproduction of the Finnish capitalism and its mode of regulation. This virtuous circle and inclusion as well as exclusion from wage work is presented in Figure 2. In cases of exclusion social policy steps into arena and supports more or less effectively those excluded from the gainful employment by means of economic support, rehabilitation, education, training or pensions (see the previous section and Vleminckx & Berghman 2001, 42). Numbers in Figure 2 refer to data presented in tables 3-7, they indicate magnitude and fluctuations in different elements of this dynamics of reproduction of Finnish capitalism.

Throughout decades the development of this virtuous circle has been more or less effectively regulated by the organised capital, labour, political parties and other political forces (on this history see Kauppinen 1994, Nieminen 2000 and yearly Eiro reports on Finnish industrial relations at [www.eurofound.europa.eu/eiro/](http://www.eurofound.europa.eu/eiro/)). This regulation has included decisions concerning the economic and labour market policies, creation and maintenance of a national ideology of the common economic interests and a functional adjustment of diverse organs and actors. This regulation has affected and moulded actors at both macro and micro levels of socio-economic life. (On the notion of regulation behind Figure 2, see Nieminen 2005, 116-124.)

One way to summarise Figure 2 is to state that it describes an intensive regime of accumulation of capital. In an “intensive regime of accumulation”, realization of capital investments is ensured by binding production and consumption to each other. Mass production that is connected with mass consumption ties capitalist production and the people’s way of life tightly together. (Nieminen 2005, 122.)

In the time period handled in this paper, the politico-economic regulation of labour market and the economy has been exercised in a very centralised manner that for its part ensured capital’s profits and a moderate growth of wages (see Table 6). However, contrary to the prevailing ideology of Finnish economic nationalism this success of exporting industries (see Table 6 on growth of exports and foreign direct investments (FDI)) did not lead to corresponding improving of employment situation (see Tables 3-5). Fractions of capital, especially a few prominent managers of big firms, have criticized centralised incomes policy since its introduction in the late 1960’s. This as such is nothing exceptional, since in most of

**Figure 2. Reproduction, regulation and exclusion in capitalism (% refer to data in Tables 3-7)**



the cases criticism of a social phenomenon is as old as the phenomenon itself. For instance, criticism of social policy and capitalism started at the advent of these institutions.

However, in 2007 organised capital put this criticism in practise as the Confederation of Finnish Industries announced the end of centralised incomes policy agreements (Eiro 2008, 1). The following collective negotiations were conducted at the branch level and they led to considerably higher rises in pay that centralised agreements. In exchange for relatively high pay rises these agreements included also decentralisation of wage formation and more flexible working times (Eiro 2010a, 2). It is interesting to note that even if more decentralised negotiations led to higher pay increases the organised capital has been satisfied with the consequences of its decision. But this is not so surprising if one recalls that politico-economic relations include not just economic rationale but also power relations. In

some cases management of firms and functionaries of organised capital are willing to make economically unsound decisions if they are thus able to strengthen their power position (see Eiro 2009a, 3).

These latest developments are still a far cry from decentralisation of the regulative mode of the Finnish capitalism. This is so because the branch level is still a quite centralised level of regulation, though some topics have been transferred to the firm level within the framework of the branch level agreements. Furthermore, employer side has demanded the establishment of a national “wage anchor” in accordance of the wage levels negotiated by the exporting industries (Eiro 2009b, 1) and as a new economic recession hit Finland in 2009 they even started centralised behind-the-scene negotiations with labour unions. The reasons for these negotiations were “faltering of labour peace” and a director of the Confederation of Finnish Industries pledged to the national economic situation stating that “the boundary disputes and oversized salary requirements demanded by certain trade unions are inappropriate in the current economic situation that is the worst on record”. Somewhat humorously these negotiations were interrupted as their existence was leaked to public. (Eiro 2010b, 3.) Also government has tried to strengthen centralised political regulation after 2007. In 2009 the minister of finance offered not to rise income tax if the trade unions accepted moderate pay increases (Eiro 2010c, 1). This initiative failed but it shows continuing political interest on centralised regulation of wage work as does the following utterance of the government from summer 2010 (Finnish Government 2010):

In Finland, the global economic recovery is best utilised through wide-ranging cooperation between the Government, business life and wage and salary earners. One goal of such cooperation needs to be the securing of our international competitiveness.

Additional factors that will most likely keep the centralised regulation of labour markets and the economy alive include the fact that organised capital is still taking part in preparation of legislation in number of cooperative working groups that deal with the economic and labour market issues (Eiro 2008a, 2-3), the ideology of economic nationalism (“national competitiveness”) and the informal norms created by it continue binding diverse actors and lastly the economic policy of the European Union is also exercising its uniting force at the national level. Thus, despite of decentralisation of industrial relations and much celebrated Europeanization and globalization of the economy, economic nationalism seem to be alive and kicking. (On dynamics of reproduction of national regulation of the economy and labour markets see Nieminen 2005, 182-196.)

Processes of inclusion and exclusion to the wage work are presented in the upper part of Figure 2. Inclusion into this circle of production and consumption takes mainly place through the educational system which hierarchies correspond to those that prevail in wage work, via entrepreneurship and by supported employment. Correspondingly, exclusion from this circle of reproduction of the wage work and the capitalist economy takes place as soon as a person lacks education, has a low position in the hierarchies of the economy, the branch of the economy in which she/he has been employed is “rationalised”, a person lives in peripheral area, is young or immigrant, or has low working abilities (handicapped, former addicts, people in mental rehabilitation and so on) (see Tables 4 and 5 on unemployment among some of these groups). In the case of exclusion, the virtuous circle of benefits turns into the vicious circle of exclusion. Habitually, it is assumed that education and training would help people out of the vicious circle of exclusion and hence the importance of education is stressed (indicated in Figure 2 by an arrow at its upper part).

In the following paragraphs, I will discuss more in detail functions of

inclusion and exclusion in capitalism, attitudes and policies towards exclusion in the regulative system of the Finnish capitalism and lastly I will finish this conference paper by pondering potentials for a more inclusive economy and society. Based on categorisation of Robert Merton, I will handle manifest, latent and dysfunctions of exclusion and inclusion separately.

The most important manifest function of including people into wage work is that the whole functioning of the mature / Fordist / post-Fordist capitalism is based on a virtuous circle of production, incomes and profits as presented in Figure 2. It is important to keep in mind that in the mature capitalism employees cannot be exploited at will but that there must be enough purchasing power to ensure the consumption of services and goods. In this system work, consumption, culture and ideology melt into a comprehensive way of life that ensures intensive accumulation of capital. In this respect the present capitalism is not just a capitalist economy but it is increasingly a capitalist society. This development is reflected in socio-political discussions concerning the “relative poverty”, that is, the threshold under which individuals and households cannot any more take part in average life of their respective national societies (threshold of exclusion). As the average standard of living rises, so does the threshold of relative poverty. A more latent function of inclusion is that through inclusion to the system of wage work individuals, households and families become included into a massive global system of the division of work, wealth and power. This is a relatively latent function because it is almost impossible to be aware of all connections, dynamics and consequences of the present economic system. A dysfunction of inclusion to wage work for workers stems from its totalitarian character: work and consumption shape a comprehensive framework for education, the life course, free-time activities and so on. For employers inclusion of the whole labour force presents a problem because full employment strengthens employees bargaining positions in labour markets.

The most important manifest function of exclusion from wage work is that employers' right to hire and fire employees constitutes a fundament of class relations in capitalism. Realised or potential exclusion has a powerful disciplinary effect to employees (Koistinen 1999, 192). The fundamental character of hiring and firing rights appears to be the reason why it is so difficult to transform the problem of unemployment into a genuine political issue. Also in Finland the political left or labour unions did not want give the problem of unemployment its full political weight. This is no wonder, because even in Germany in the 1920's and in the beginning of the 1930's, when the political situation was much more critical, labour unions and Social Democrats avoided strong political reactions to unemployment (see Neumann [1942] 2009, 17). Exclusion is directly beneficial to number of individuals and groups. When unemployment figures are high the bargaining position of labour is weak and there is less inflation, prices may even fall. Employers and the bulk of employees that have their jobs profit from this state of affairs.

Whereas dysfunctions of exclusion are obvious (collapse of incomes, decreasing consumption, poverty, mental and other health problems like alcoholism and drugs abuse, exclusion from social relations) its latent functions offer an interesting perspective into societal unconsciousness. It is indeed somewhat paradoxical that at the same time as the modern social order creates vast inequalities of wealth and power it is able presents itself historically as the most equal social order (on historical comparisons concerning inequality see Lenski 1977). This controversial state of affairs leads to the denial of exclusive practices, their hiding in diverse explanations and formation of societal unconsciousness. In this way it is possible to announce a fight against the poverty and exclusion at the same time as one is competing for better socio-economic positions, cuts social benefits and takes part in diverse exclusive practices. Societal unconsciousness can be approached from the points of view of psychoanalysis, societal ideology or from the point of view of Erwin Goffman's “presentation

of self in everyday life” in which people may try to give morally better impression on themselves than they really are (see, for instance, Deleuze & Guattari 2007 and Cuéllar 2010, Chapter 6).

To open this perspective of societal unconsciousness, let us consider what facts the public discourse of exclusion keeps in dark. First, the socio political discourse of exclusion tends to concentrate on individual characteristics of excluded. “Active social policy”, as well as “active labour market policy”, strive to “activate” individuals and enhance their “employability” thus undermining and hiding the structural and intentional character of exclusion. Secondly, this individualizing discourse that concentrates on excluded, and not on those who actively exclude, hides also those gains and profits that are made by excluding people from wage work. These profits and gains include disciplinary effects created by unemployment, worsening of labour’s labour market position, slowing of inflation or deflation that is beneficial for those employed. These gains include also a psychologically rewarding feeling of being a successful person for those who remain included into the group of employed (Koistinen 1999, 192).

Lastly, a societal figure of “excluded” functions as a projective subject to successful and active individual that earns money and takes part in normal patterns of consumption in a society. An image of excluded person is an antithesis of included person. This makes it possible for “included” to project their undesired characteristics and risks to “excluded” in the similar manner as humans tend to project unpleasant features to different individuals and social groups labelled as “others” (see Kristeva 1997, 191-200; Deaux, Dane, Wrightsman & Sigelman 1993, 363). The societal figure of excluded fits well to the intensive accumulation of capital, because it depicts a many-sided antithesis to a successfully included wage earner. In a way, an excluded person exist only as an anti-thesis to the subjectivity of a successful wage earner and her/his way of life. In these ways exclusion helps to reproduce and regulate the present capitalism with its intensive mode of capital accumulation.

Given the above presentation of exclusion in the capitalist economy, what could be potentials for a more inclusive politics? Because a market liberal solution to exclusion from wage work leads easily to creation of a group of working poor who are in effect excluded from many realms of society, a market liberal policy line offer a weak option for more inclusive politics. Job sharing seems to offer a more attractive alternative though it requires a great deal of solidarity between employees and a possibility of restricting employers’ right to manage labour force. Comprehensive schemes of job sharing (through legislation or comprehensive collective agreements) mean actually that jobs are taken out of competition. Would that not mean an end to the capitalism as we know it? Yes, but it would not mean the end capitalism itself because even if firms freedom of action would be restricted in the area of employment it would still leave room for actions in the realms of organisation of productions, the markets of goods and services, technological solutions and so on. If job sharing schemes would be established by comprehensive political regulation they would not harm competition because the restrictions would be the same for all actors. In addition to inclusion, job sharing would for its part keep the demand of goods and services up because the whole work force would have a decent purchasing power (see Figure 2). In fact during the history of capitalism a number of factors have been taken out of competition. For instance, slavery has been (mainly) abolished, child labour has been prohibited, wages have increased enormously and working time diminished, currently the exploitation of nature is being restricted. If capitalism has not only survived these restrictions but its creation of prosperity has multiplied why it would not stand full employment?

Another option for inclusive politics would be an introduction of basic income to all. This option would take economic survival out of competition and it would not harm employers’ freedom of action though it would at least partially abolish the disciplinary

function of unemployment. It may even not be considerably more expensive than the present system of social benefits. As job sharing, also this option would have the advantageous effect of supporting the demand of goods and services.

In a nutshell, even if capitalism is an economic system that is by definition exclusive its development potentials seem to offer possibilities for more inclusive structures especially since the mature capitalism has strong inclusive tendency (see Figure 2). The empirical example of global climate politics shows that if a certain issue is able to assume a hegemonial position in politics much can change in a short period of time.

## References

- Brown, Lesley (ed.) 1993. *The New Shorter Oxford English Dictionary on Historical Principles*. Volume 1, A-M. Oxford: Clarendon Press.
- Byrne, David 2005. *Social Exclusion*. Maidenhead: Open University Press.
- Cuéllar, David Pavón 2010. *From the Conscious Interior to an Exterior Unconscious*. London: Karnac Books.
- Deaux, Kay; Dane, Francis C.; Wrightsman, Lawrence S.; Sigelman, Carol K. 1993. *Social Psychology in the 90's*. Pacific Grove, California: Brooks/Cole Publishing Company.
- Deleuze, Gilles & Guattari, Félix 2007. *Anti-Oedipus*. Kapitalismi ja skitsofrenia. Helsinki: Tutkijaliitto.
- Euro (The European Industrial Relations Observatory) 1999. 1999 Annual Review for Finland. Retrieved from <http://www.eurofound.europa.eu/eiro/index.htm> on 17<sup>th</sup> May 2010.
- Euro2000. 2000 Annual Review for Finland. Retrieved from <http://www.eurofound.europa.eu/eiro/index.htm> on 17<sup>th</sup> May 2010.
- Euro 2002. Social Partners Propose Measures to Combat Unemployment. Retrieved from <http://www.eurofound.europa.eu/eiro/index.htm> on 17<sup>th</sup> May 2010.
- Euro 2008. Employers Announce the End of Centralised Tripartite Bargaining Structure. Retrieved from <http://www.eurofound.europa.eu/eiro/index.htm> on 17<sup>th</sup> May 2010.
- Euro 2009a. Finland: EIRO Annual Review – 2007. Retrieved from <http://www.eurofound.europa.eu/eiro/index.htm> on 17<sup>th</sup> May 2010.
- Euro 2009b. National Wage Negotiations at a Standstill. Retrieved from <http://www.eurofound.europa.eu/eiro/index.htm> on 17<sup>th</sup> May 2010.
- Euro 2010a. Finland: EIRO Annual Review – 2008. Retrieved from <http://www.eurofound.europa.eu/eiro/index.htm> on 17<sup>th</sup> May 2010.
- Euro 2010b. Slow Progress in Negotiations on New Collective Agreements. Retrieved from <http://www.eurofound.europa.eu/eiro/index.htm> on 17<sup>th</sup> May 2010.

Eiro 2010c. Mixed Reactions from Unions to Tax Freeze in Exchange for Wage Moderation. Retrieved from <http://www.eurofound.europa.eu/eiro/index.htm> on 17<sup>th</sup> May 2010.

Esping-Andersen, Gøsta 1990. The Three Worlds of Welfare Capitalism. Cambridge: Polity Press.

European Commission (Directorate-General for Employment and Social Affairs Unit E.22004). Joint report on social inclusion 2004. Luxembourg: Office for Official Publications of the European Communities. Retrieved from [http://ec.europa.eu/employment\\_social/social\\_inclusion/](http://ec.europa.eu/employment_social/social_inclusion/) on 4<sup>th</sup> July 2010.

European Commission 2010. Combating poverty and social exclusion 2010. A statistical portrait of the European Union. Luxembourg: Publications Office of the European Union. Retrieved from <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home> on 1<sup>st</sup> June 2010.

Finnish Government 2010. Government Statement to Parliament on Government Programme of Prime Minister Mari Kiviniemi's Government appointed on 22 June 2010. Retrieved from <http://www.vn.fi/hallitus/hallitusohjelma/pdf/en.pdf> on 3<sup>rd</sup> August 2010.

Helne, Tuula 2002. Syrjäytymisen yhteiskunta. Stakes, tutkimuksia 123. Helsinki: Stakes.

Hulkko, Laura & Tossavainen, Pekka 2009. Työttömyys ennen ja nyt. In: Pärnänen, Anna & Okkonen, Kaisa-Mari (eds.) 2009. Työelämän suurten muutosten vuosikymmenet. Työmarkkinat 2009. Helsinki: Tilastokeskus, 181-199.

ILO (International Labour Organisation) 2010. Laborsta, ILO Database on Labour Statistics. Data retrieved from <http://laborsta.ilo.org/default.html> on 8<sup>th</sup> July 2010.

Julkunen, Raija & Nätti, Jouko 1997. Työn jakaminen. Moraali, talous, politiikka. Tampere: Vastapaino.

Juppi, Pirita 2010. Media syrjäytymisen määrittelijänä ja selittäjänä. In: Laine, Terhi; Hyväri, Susanna & Vuokila-Oikkonen, Päivi (eds.) 2010. Syrjäytymistä vastaan sosiaali- ja terveysalalla. Helsinki: Tammi, 325-352.

Kauppinen, Timo 1994. The Transformation of Finnish Labour Relations. Helsinki: The Finnish Labour Relations Association.

Kauppinen, Timo 1997. Labour Relations in Finland. Helsinki: Ministry of Labour.

Koch, Max 2006. Roads to Post-Fordism. Labour Markets and Social Structures in Europe. Aldershot, Burlington: Ashgate.

Koistinen, Pertti 1999. Työpolitiikan perusteet. Porvoo, Helsinki & Juva: Werner Söderström Osakeyhtiö.

Kristeva, Julia 1997. Främlingar för oss själva. Viborg, Danmark: Natur och Kultur.

Lenski, Gerhard 1977. Macht und Privileg. Eine Theorie der sozialen Schichtung. Frankfurt am Main: Suhrkamp.

Marx, Karl [1890] 1974. Pääoma I. Kansantaloustieteen arvostelua. Pääoman tuotantoprosessi. (Capital I) Moscow: Kustannusliike Edistys.

Neumann, Franz [1942] 2009. Behemoth. The Structure and Practice of National Socialism, 1933-1944. Chicago: Ivan R. Dee.

Nieminen, Ari 2000. Finnish Employer Confederations — Streamlining Inner Organization and Regulating National Capitalism. In: Jensen, Strøby Carsten (eds.) 2000. Arbejdgivere i Norden. En sociologisk analyse af arbejdsgiverorganisering i Norge, Sverige, Finland og Danmark. Nord 2000:25. København: Nordisk Ministerråd, 287-371.

Nieminen, Ari 2005. Towards a European Society? Integration and Regulation of Capitalism. Helsinki: Helsinki University Printing House. Also available at: <http://ethesis.helsinki.fi/julkaisut/val/sosio/vk/nieminen/>

OECD (Organisation of Economic Co-operation and Development) 2009. Society at a Glance 2009 – OECD Social Indicators. Data retrieved from [www.oecd.org/els/social/indicators/SAG](http://www.oecd.org/els/social/indicators/SAG) 4<sup>th</sup> July 2010.

OECD 2010. SourceOECD database. Data retrieved from <http://lysander.sourceoecd.org/> on June-July 2010.

Sotkanet 2010. SOTKANet Statistics and Indicator Bank. Data retrieved from <http://uusi.sotkanet.fi/portal/page/portal/etusivu> on 6<sup>th</sup> July 2010.

Tilastokeskus 2010a. Tilastokeskus, PX-Web-tietokannat. Data retrieved from [http://pxweb2.stat.fi/database/StatFin/Tym/tyti/tyti\\_fi.asp](http://pxweb2.stat.fi/database/StatFin/Tym/tyti/tyti_fi.asp) on 6<sup>th</sup> July 2010.

Tilastokeskus 2010b. Kansantalouden tilinpito 2009. Data retrieved from <http://www.stat.fi/til/vtp/index.html> on 3<sup>rd</sup> August 2010.

Vleminckx, Koen & Berghman, Jos 2001. Social Exclusion and the Welfare State: an Overview of Conceptual Issues and Policy Implications. In: Mayes, G. David; Berghman, Jos & Salais, Robert (eds.) 2001. Social Exclusion and European Policy. Cheltenham, Northampton: Edward Elgar, 27-46.

Weber, Max [1922] 1985. Wirtschaft und Gesellschaft. Grundriss der verstehenden Soziologie. Tübingen: J. C. B. Mohr (Paul Siebeck).

Wikipedia 2010. Wikipedia, Article: Murrostorstai. Retrieved from <http://fi.wikipedia.org/wiki/Murrostorstai> on 29<sup>th</sup> July 2010.

World Bank 2010. World Bank database. Data retrieved from <http://data.worldbank.org/> on 13<sup>th</sup> July 2010.