

## A positive future for Finland

# Science shows that Finland needs a new kind of positive image of a sustainable future

### A sustainable welfare state is achievable

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requisites for showing

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tion to do so.

n Finland we can foresee a future in which good, healthy and meaningful life with a minimal burden on the environment. This will be achieved through interdisciplinary economic wisdom, the implementation of bold systemic transformations and

a broad dialogue in society. It is important to involve those groups and organisations, which, up until now, have not had the chance to participate in the building of a sustainable way of life. A future that is sustainable in the long-term is created

today on the basis of scientific knowledge – through joint efforts by various actors.

Building an ecologically sustainable and just welfare state is the same kind of national venture as were previously the establishment of the school system and healthcare that serves the entire population or the launch of the pension system. It is not an impossible task, but making it happen will require political commitment across the board, a respect for knowledge-based decision-making and the rethinking of our way of life in a manner that involves all people. We must break free from pursuing such progress that increases ecological debt. Being able to do this requires that each decision-maker in different sectors and on different levels of society

> actively takes responsibility for identifying risks and opportunities and participates in the ecosocial building and development of new technologies that recognise the limits of this planet.

Finland, inevitably, operates in the global community as part of the planet's natural systems. The impacts of production and consumption extend to ecosystems and people in different parts of the Earth. Finland has the prerequisites for showing the way to others and also a global obligation to do so. Leading by example requires that we, together with various actors in society, recognise the view of a sustainable future, set ambitious goals and take determined action to achieve them.

### We need a rapid change in society's structures and functioning

he overuse of natural resources and environmental pollution have progressed so far that instead of a gradual change, we need a swift societal transformation which allocates resources in a new way, one that fosters sustainability. The sustainability transformation is a systemic approach for society to change, in an orderly and holistic manner, its well-being-maintaining systems from the current unsustainable activities to ones that are sustainable in all respects. However, the road towards the sustainability transformation is being blocked by bumps and signposts that lead us astray. These include the illusions of continuity, inconvenience and decoupling.

A new kind of vision for achieving a sustainable future

Step 1: Direction When you want something new, let go of the old. National government plays a significant role in showing the way towards sustainability. It can, in many ways, support, involve and, otherwise, motivate people and communities to make the sustainability transformation happen. National government can dismantle obstacles and modify structures, but it, alone, cannot build a sustainable future or accelerate the sustainability transformation. The participation of all actors of society in various roles is needed in business, the financing system, the media sector, municipalities, education and research, communities and associations, and also as individuals.

**Step 2: Flexibility** When you want to ensure progress, identify the risks Step 3: Learning When you pursue well-being, secure an eco-social bildung that combines knowledge and ethics.

ection progress, identify the risk something and improve flexibility.

### In Finland we can foresee a future

in which good, healthy and meaningful life with a minimal burden on the environment is possible. This will be achieved through interdisciplinary economic wisdom, the implementation of bold systemic transformations and a broad dialogue in society. A future that is sustainable in the longterm is created today on the basis of scientific knowledge – through joint efforts by various actors.



Sustainable well-being

# Social debate as a way to exit the paths leading us astray

n Finland, there is a mutual understanding concerning the need to foster sustainable development. However, the concrete methods to do so are still being debated.

The established institutions and operating methods and old truths considered to be set in stone make it difficult for new kinds of information, and information that highlights uncertainties to penetrate decision-making in the government and in companies. In a stable operating environment, decision-making routines help actors to operate efficiently, but when new kinds of challenges are being solved, it must be possible to both let go of the old and align the new operating methods with the previous decision-making systems and implementation structures.

In addition to new kinds of information, new methods to produce and apply information are needed. Using systems thinking in the social debate between various actors helps take uncertainties into consideration. A dialogue that brings together different viewpoints challenges the assumption that there is only one distinct alternative to be found that solves complex issues.

A debate in which various actors are genuinely heard needs to be based on extensive researched information. For example, social welfare and health policy should not be left for sector politicians alone to make, nor should the economy only be the responsibility of economists. Instead, the debate concerning the sustainable economy of the future should be comprehensive and multidisciplinary.

The Expert Panel for Sustainable Development has identified the following key illusions that slow down the progress of the sustainability transformation, as well as ways to overcome these illusions.

### From the illusion of inconvenience to well-being that respects nature

The illusion of inconvenience is a common first impression of the sustainability transformation. According to it, the transformation is a difficult and complex bundle of challenges interconnected in a way that cannot be anticipated. Fostering sustainable development is considered to involve giving up the current accomplishments or returning to days past, although it could be seen as a life-enriching, smooth transition that is manageable through cooperation and leads towards new, fully sustainable practices.

Political decision-makers, business life and individual consumers need shared experiences of sustainability, meaning a more convenient, pleasant and functioning environment, as well as well-being and health. Concrete examples can be used to share experiences of the value that is gained when harmful things are given up and of the contradictions that exist between our consumption habits and goals. Good examples can be made even better by implementing various kinds of pilots. Accelerating the sustainability transformation requires communicating openly about successful experiments locally, nationally and globally.



In fostering health, links have been identified between the health of people and the environment as planetary health. An abundant nature supports both physical and psychological well-being, and climate-wise exercise and diet also support human health.

Replacing meat with new, plant-based proteins means a shift to a different kind of a diet; it does not mean one would go hungry or never eat tasty food again. In addition, it will bring new, innovative business operations and jobs to Finland. Using transport that produces lower emissions, such as bicycling or walking, is a change that will improve the quality of life and offer health benefits and the joy of exercising.

A successful sustainability transformation helps to avoid crises, but overcoming crises is also empowering. For example, the Covid-19 pandemic was an opportunity for many employers and families to try out new ways to nurture health and well-being; nature provided a space without infection risks for both relaxation and exercising; new recipes could be experimented within the kitchen at home, and companies created new methods and routines for remote work.





### Applying futures consciousness to break away from the illusions of continuity and decoupling

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environmental burden

n the illusion of continuity, tomorrow is a seamless continuum of yesterday, and reason and emotion do not accommodate futures that are radically different. This is problematic in a world where changes are being intensified by global interdependency and new technologies, as well as the climate crisis and decreasing biodiversity. The earlier preconditions of operations will change and may shatter in a fundamental manner. The illusion of continuity is also maintained by the thought pattern according to which different kinds of futures are unrealistic, although the future will certainly be different from today.

The illusion of continuity is also associated with the fantasy that we are being able to simultaneously grow the economy and reduce the burden on the environment. This is called the illusion of decoupling.

Based on research evidence, it is not possible to achieve the decoupling of economic growth measured by GDP from the increase in the burden on the environment. An extra challenge is the current model of outsourcing the adverse impacts of production to other countries, which gives rise to excessive optimism about the reduction of climate emissions in Finland, for example.

The decoupling of well-being from economic growth or the environmental burden cannot be achieved quickly. For example, the Finnish social and health policy has committed strongly to advancing the well-being and health of citizens since the 1960s. Redeeming this well-being promise has been considered to require a high employment level and the resulting GDP growth. The challenge is now to manage the adverse impacts of economic growth, while, among other things, the ageing of the population increases the financing need in the social and healthcare services.

Including the costs of adverse impacts on the environment in the prices of products and services in full and abruptly would result in steep cost increases and increase the risk of an uneven distribution of consumption and wealth. In addition, the investments

made to promote ecological sustainability would, at worst, significantly cut the resources allocated to other public expenditure. At the same time, there is a need to discontinue, at a minimum, the tax subsidies that are harmful to the environment. The demands

that the public economy should be stabilised and indebtedness should be reduced pose a challenge. These requirements are currently being taken much more seriously in Finland than in the past decades.

We need a better ability to understand path dependencies, identify the nature of the changes and create a goal-oriented change that supports the well-being of people and the environment in an uncertain world. Strengthening the futures consciousness can help us understand alternative futures, create agency in the face of changes, enable us to apply systems thinking, and generate solicitude.

# Global economic wisdom supports economic redistribution

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ernment should fur-

ther immediately.

ot all growth is equal in terms of quality. We need certain things a lot less than we need other things, although

in the modern economic bookkeeping, they both would still be valued the same. A profound value discussion on the need for economic redistributions will be inevitable if the global increased inequality between people continues at the current pace. Controlled

implementation of the sustainability transformation requires radical growth in sectors that provide solutions and a radical reduction or downright discontinuation of activities in sectors that are harmful.

The reallocation of business subsidies is a central steering method that the government should further immediately. Subsidies should be directed away from sectors that are harmful to the environment and towards finding and executing solutions. This will introduce significant changes to land use and require closing down of the fossil economy by means of knowledge-based, economic and legal steering methods, while taking into consideration the fairness perspectives and the support measures they require. Although this will result in a considerable redistribution of wealth, there will not necessarily be reductions in the total quantity of property. In the long term, the sustainability transformation will be the best way to prevent crashes in wealth. An open discussion on a socially just distribution of wealth is also needed in Finland.

More extensive and more realistic economic and well-being metrics are needed in addition to the GDP. The information they

> provide can be used to increase the futures consciousness and help make the vision of a sustainable future more tangible. More transparent information must be produced to steer the environmental impacts of consumption on the level of both domestic and inter-

national trade. Opportunities may also be discovered in a new concept of well-being, for example, by shifting the focus to fostering health by means of nature-based solutions and by preventing the generation of environment-based health risks, such as air pollution, noise, heatwaves and pandemics.



# Burdens of the current sustainability thinking, and opportunities for paths of change

he sustainability transformation is already in progress in many places. Paths are opening up towards a positive, sustainable future. A lot of work is still required from society as a whole to clear the obstacles. Inter- and transdisciplinary research has succeeded in showing that positive sustainability visions will bring different actors together and contribute to establishing paths to transformation in food and textile systems, for example, if longterm processes exist that enable harmonious collaboration between different actors.

Promoting sustainability thinking is continuous, goal-oriented work. We need examples that are directed towards sustainability and provide the efforts with a good boost. It is of utmost importance to define both the leverage points that spur many

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different actors forward and the key problem areas. They will help to identify the matters that need special attention.

The sustainability transformation builds a future in which the generation of crises is mitigated and controlled better than today. The current crises show that we have the We have been forced to simultaneously live with both the coronavirus variants and other health concerns. Public health is linked to ecosystem changes that destabilise agriculture or forestry, climate risks, and the increase in global inequality and tensions, for example.

> ability, at least momentarily, to take swift action towards a common goal in society. They also help us to envision what the consequences of other sudden profound shortages in total sustainability and uncontrolled crises would be. Problems, such as pandem-

ics, climate change or armed conflicts do not occur one by one, and the crises they create are intertwined. The links between crises are far-reaching, and identifying them is key in preventing and controlling crises. Crisis management is supported by moving from centralised global chains to decentralised, more flexible production chains. For this, a new kind of knowledge base is needed that makes the preparing of future scenarios possible.

In the public debate, intergenerational responsibility often manifests as an emphasis on the necessity of economic growth and continuous consumption. By contrast, climate change and the decreasing biodiversity, which erode the possibilities of future generations to live on this planet, are not handled as seriously in economic discussions. The economy has become a value in itself that directs our operations, although it should only be a means to foster well-being.

The situation of the Earth is serious and requires an urgent change of direction in the development. In strong sustainability, the basis of the economy and society is an uncompromising respect for the limits of the planet. Wealth must be created and distributed in a manner that does not jeopardise the planet's capacity to produce well-being for people. The establishing of a new way of thinking requires that the co-dependencies between well-being, nature's systems and economic thinking are identified and immediately taken into consideration in decision-making, and that people are involved and more sustainable operating models are introduced.

# Towards a successful sustainability transformation

e can create a fictitious state of activity that we want to pursue. It is a future state which does not yet exist, but the elements of which can already be identified. It takes a different form in different countries and cultures, but the principle is the same. In the future state of activity, the institutions maintained by people will jointly develop and It is time to let go of unrealistic images of the future, which either would have us believe that the current wasteful and unjust development can continue or paint a picture of a future without opportunities to maintain well-being.

maintain systems that support the health and well-being of both people and the planet, generating a harmonious planetary entity.

The beginning rhythms can already be felt. In Finland, they can be felt on different levels of society and in different groups of actors. What is needed now is a shared image of the future, jointly defined objectives and a set of tangible measures to take in order to make progress. Politicians and national government have the key task of bringing all builders of the future together. Legitimate procedures are also needed for handling conflicts and coming up with sufficiently good compromises.

### **Recommendations for national governments**

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### Steering of the financial system

- Promoting measures that increase the transparency of cash flows and tax income, such as limiting the operations of tax havens and imposing a global transaction tax in cooperation with other countries.
- Through tax breaks and information guidance, enabling households to make investments that help fund investments required by the sustainability transition.
- Guiding the financing terms and conditions of new innovations and companies towards a direction that makes it possible to measure the ecological footprint, the support for the sustainability transition, sociocultural sustainability and long-term economic returns.



## Steering of the media sector

- Through economic steering mechanisms, supporting critical media's responsible operations, which strive to monitor the exercise of power, draw overall pictures from isolated events and, instead of juxtaposing, make available solution paths based on reliable information.
- Through taxation measures, such as decreasing the value added tax, supporting media that switches to subscription fees instead of advertisements, for example, as their source of income.
- Ensuring that sustainable development is a cross-cutting theme in YLE's strategy and its implementation plans. 15

**The Finnish Expert Panel for Sustainable** Development has prepared recommendations for national government regarding the steering of various actors in the sustainability transformation.



## Steering of business operations

- Creating mechanisms for the pricing of key environmental problems and benefits and including them in the prices of raw materials and products. The experiences gained from the emissions trading of carbon will help to implement the pricing.
- Securing fair compensation and decent working conditions by means of cooperation between countries.
- Through taxation and other financial means of steering, ensuring that the financial result gained by companies from their operations does not disproportionately benefit only shareholders, but also funds society's infrastructure and educational duties that enable companies to operate.
- Adjusting taxation and the financial incentive system so that they support the sustainability transformation.
- Providing platforms for the joint development of sustainability measures in different sectors.



## Steering of municipal and regional administration

- Steering the financing of municipalities and well-being areas through extensive sustainability metrics.
- Setting sustainability criteria and monitoring mechanisms for municipal and regional budgeting.
- Ensuring cooperation between municipalities in the promotion of sustainable development.



### **Research policy**

- Securing sufficient, long-term and independent funding for solution-oriented interdisciplinary research.
- Enabling the production of open and critical information for political decision-making and for society more broadly, thus ensuring that the, as yet, unforeseen future obstacles to and opportunities provided by the sustainability transformation are identified.
- Ensuring cooperation between science and decision-making, so that there is a shared understanding in society of the key trends and change factors, their impacts and the consequences of different measures.





### Steering of education, and policies that support education

- Making the solution-oriented learning of sustainable development part of a strong and inclusive national education system.
- Securing the learning of critical, science-based thinking on all levels of education and in life-long learning.
- Requiring universities and other educational institutions to work in cooperation to develop sustainable development education.



### Steering of communities and civic organisations

- Showing sufficient financial support for civic organisations to carry out activities that foster the sustainability transformation.
- Requiring an unwavering respect for human rights in order to secure free domestic and international civic activities.
- Securing the prerequisites of an extensive civic debate on the management of current and future sustainability issues.



## International cooperation policies

- Assuming an active role in negotiations related to global challenges and crises.
- Integrating the objective and content of the powerful interdisciplinary sustainability transformation in the operations of the EU and the UN.



### Policies steering individuals

- Through legislation and information steering, securing the conditions for solutions that make it possible to reuse, share, repair and maintain consumer products.
- Offering new opportunities for constructive civic activity, such as citizen's forums.
- Enabling citizen-driven experiments and their assessment.

#### The Finnish Expert Panel for Sustainable

Development is an independent scientific body established in Finland in 2013. It is tasked with increasing science-based understanding concerning the coordination of environmental, economic and social issues. The panel incorporates scientific and ethical views in decision-making processes and, by doing so, promotes societal change that takes into account the well-being of both the environment and people. It supports, challenges and assesses the realisation of the sustainable development policy in Finland and produces content for topical policy processes. The panel has ten members, who represent various scientific fields, different universities and research institutions. The activities of the Expert Panel for Sustainable Development are coordinated jointly by the Helsinki Institute of Sustainability Science (HELSUS), the Finnish Environment Institute (SYKE) and the Natural Resources Institute Finland (Luke).

The work of the panel is coordinated by the University of Helsinki, Natural Resources Institute Finland and the Finnish Environment Institute.

Jari Lyytimäki, Finnish Environment Institute

**Katriina Soini**, Natural Resources Institute Finland

**Eeva-Lotta Apajalahti & Linda Lammensalo**, Helsinki Institute of Sustainability Science

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### **Panellists**

### References

#### Eeva Furman

panel chair, environmental policy, sustainable development

#### Katriina Siivonen

vice chair, futures studies, cultural sustainability transformation

Lassi Linnanen vice chair, systems thinking, environmental economics

#### Minna Halme sustainable economy and business

Jouni J.K. Jaakkola health and well-being

#### Mikko Mönkkönen ecology and sustainable use of natural resources

Juho Saari social and well-being policies

Arto O. Salonen eco-social transformation

**Tuuli Toivonen** urban geography

#### Anne Tolvanen use of forests and mitigation of climate change

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