

Finland

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In terms of television, Finland belongs to the Scandinavian and North European pattern, with a strong public service system coexisting with commercial channels. However, the Finnish television system also offers some distinctive characteristics: an unusual combination of public and private systems; a radical view of the role of broadcasting in society; and the unique influence of television across the Cold-War border between Finland and Estonia.

The first regular television transmissions seen in Finland came from the Soviet Union, extended to the Estonian capital Tallinn in 1954, just 40 miles south of Finland's capital Helsinki, across the Baltic Sea. The Leningrad transmitter reached Finnish communities behind the border in the south-eastern part of the country. The spillover signal encouraged Finns to buy receivers and put out antennas using the standards applied in the Soviet Union.

This happened at a time when little progress was being made regarding the establishment of national television in Finland. Beginning in the late 1940s, some experimental initiatives with the new medium had taken place in technical circles under the auspices of the state-dominated public service broadcasting corporation YLE. But the Parliament-controlled management of YLE was reluctant to take rapid steps while its political attention and financial resources were occupied by an ambitious project to cover the wide but sparsely populated country with an FM radio network (among the first in the world). Proposals to use advertising as an additional income for the new medium were dismissed by most politicians, either because of concerns that this would reduce advertising revenues for the printed press, or due to the principle that public broadcasting should remain free from commercialism.

However, the prospects of an expanding Soviet television in a Western country began to galvanize politicians, especially when Nato embassies in Helsinki began to report their concern. Like the German "threat" in Denmark some years earlier, the Soviet "threat" in Finland became an argument (skilfully used by the technical lobby) to persuade hesitant decision-makers to enter the television era in 1957. Another, even stronger argument for an official introduction of television in Finland was the fact that the technical and private interests, spearheaded by the radio laboratory of the Helsinki University of Technology, had already started experimental transmissions in the mid-1950s. These enthusiasts were frustrated by the slow action of YLE, and as with the introduction of radio in the 1920s, private initiatives served as catalysts to mobilize the public sector.

Administratively this was not difficult to carry out, because Finland did not have a legally-based state monopoly of broadcasting; even YLE operated under a license from the government.

YLE television started with a transmitter (made in the U.S.) in the highest tower in Helsinki, fed by an old AM radio station remodelled into a TV studio. After nearly a year of experimental transmissions, the beginning of 1958 brought regular programs—five days a week excluding a summer break—in both of the official languages, Finnish and Swedish (the latter spoken by 6 % of the population). Program production was divided between YLE and a subsidiary company created for dealing with advertising, made up of major advertisers, advertising agencies, film companies and YLE itself. The motive was to ensure financing of the new medium, but the arrangement also brought along additional programs in separate time blocs designated for the commercial subsidiary called MTV (in Finnish “Mainos-TV” for “Advertising TV”).

MTV soon accounted for 20-30 % of the total programming time, and about the same share of costs. The costs of television for YLE grew rapidly, along with the building of new transmitters throughout the country. Both the studios and transmitters were operated by YLE. MTV hired time for the use of these facilities with the income acquired from the advertisers. Additional revenues for YLE were raised by a new viewing fee for households with a TV set, along with a traditional radio-listening fee.

The expansion of television in the early 1960s was quite rapid, both in terms of transmitter coverage throughout the country, and the number of homes with television sets. With its visible and popular share of the program supply, MTV became an integral part of this success story. YLE alone was allowed to send news and current affairs, while MTV specialized in entertainment. YLE and MTV both created independent productions and imported foreign programs, especially American serials such as *Highway Patrol* and *Peyton Place*. The parent YLE and the subsidiary MTV shared the same channel, MTV having its clearly marked time blocs, partly within prime time and partly in the later hours (for movies).

Accordingly, commercial television entered Finland quite smoothly, without notable opposition—neither from the print media (which did not, contrary to initial fears, lose advertising), nor from political circles (which were skilfully handled by the commercial lobbies). Its introduction was carried out as series of pragmatic steps. Commercial television in Finland was further strengthened by the independent TV pioneers, which continued transmissions in Helsinki and extended them to next largest cities of Tampere and Turku, effectively creating a parallel private network financed by advertising. However, this network was doomed to lose the market to the nationally expanding YLE-MTV conglomerate, and in 1965 these stations were sold to YLE. This led to the establishment of the second channel, with its studios and personnel located in Tampere,

and its mission directed towards the provinces, which were soon reached by a rapidly growing transmitter network. Apart from news which was centralized to the main channel, the second channel had a full profile of programming, including documentary and drama productions of its own. And MTV had its commercial time blocs in this public service channel as well.

The Finnish case led to a peculiar duopoly, in which a public service corporation coexisted with a commercial company, the latter having a monopoly on television advertising. Although Finnish commercial television had some limitations (operating under YLE's license; no news and current affairs programs; no membership in EBU), it was more profoundly commercial than most European systems, because it not only had advertising (and not just in bulletins between programs but in breaks within programs); it also constituted a whole program production and purchasing organization, which made it into a real empire (MTV) within an empire (YLE). As a whole, the YLE-MTV conglomerate had grown by the 1970s to provide the Finnish public with a more abundant supply of programs than the other Nordic countries could, with their public service monopolies operating on a single channel. Finnish television was not only more commercial, but also more American than other Scandinavian television, especially because MTV bought many series and movies from the U.S.

The YLE-MTV duopoly was a symbiosis of public service and commercial systems, at first natural, if uneasy, but later filled with strain and conflicts. YLE wanted more income, while MTV wanted more status; YLE continued to take MTV literally as its subsidiary, while MTV had growing ambitions to become a truly independent commercial company.

MTV was granted permission to launch its own news program in the mid-1980s, and in 1993 it was finally given its own operating licence and a channel. Channel Three was developed after five years of experimenting with a hybrid channel jointly owned by YLE, MTV and Nokia (originally a manufacturer of rubber and electronic products, later specializing in mobile phones). With its own channel, it adopted a new name (distinguishing it from the international Music Television): MTV3. This fully independent commercial television company was bought by the second largest print media group in the country, Alma Media, which is 20 % owned by the Bonniers group in Sweden. Technically there was still space for still a fourth channel, and it was granted to a subsidiary of Finland's largest print media group, SanomaWSOY, founded when the leading newspaper, *Helsingin Sanomat*, merged with the largest book publisher WSOY and entered the European magazine market.

The Finnish story would be incomplete without mention of the "informational broadcasting policy" as elaborated at YLE in the late 1960s. The stated objective of this policy was to promote democracy and a well-informed public through the mass media in general and television in

particular. It abandoned the conventional establishment-dominated and entertainment-oriented approach, and advocated an active role for broadcasting as a participant in the political and cultural life of society. Its call to cover social reality in all of its aspects was meant not only to be truthful but to fight ignorance and prejudice.

The new policy classified media systems into three types: (1) Confessional: in which information from around the world is selected for presentation on the basis of how well it fits in with a pre-established belief system; (2) Commercial: in which information is selected based on how well it sells and brings profit; and (3) Informational: in which information follows neither the logic of faith, nor a logic of market, is based on the principle of turning people's world view maximally truthful. This classification has a clear anti-commercial bias, which served as ammunition in YLE's conflict with MTV.

The informational broadcasting policy was, in many respects, a reform plan resembling that prepared by Edward R. Murrow for President Kennedy. However, unlike similar U.S. plans, the Finnish initiative was actually implemented—to a degree. The new policy was developed by a brain trust of YLE's top management between 1966 and 1968, when the institution was headed by a group of cultural liberals and the political environment in the country was dominated by a left-wing majority in the Parliament, with a center-left coalition government. At that time, Finnish society underwent a dynamic change not only due to the rapid spread of television, but because of drastic shifts in economic and demographic structures while the country was shifting from an agricultural to an industrial economy.

The reform policy resonated with the new generation of television program makers (not only producers of news and current affairs programs, but also of entertainment and drama programs), and new ideas were put to practice so energetically that a liberal-democratic approach was sometimes replaced by a dogmatic-elitist form of radicalism. By the end of the 1960s, the promising reform had turned into a political backlash against YLE, which was used by conservative forces of all kinds as a scapegoat for practically all problems affecting the country. The informational broadcasting policy went out of fashion and suffered a bad reputation, although a significant portion of its ideas has survived as a key aspect of Finnish public service television in the new millennium.

It is within the contexts of this history that the YLE-MTV duopoly was replaced by a classic dual system in the late 1990s. On the one hand, there is the public service corporation, which is legally still a limited company. Although 98 % owned by the state, it no longer requires a government license due to a 1993 law passed by Parliament. YLE operates two non-commercial TV channels, in addition to a number of radio channels, all including services in the minority language of Swedish.

On the other hand, there are two commercial TV companies, fiercely competing in the advertising market. Two unique features separate the Finnish media landscape from normal dual systems: first, cross-media ownership is the rule rather than an exception; and second, the commercial companies pay an annual “public service fee” which is used to partially finance YLE.

Despite an abundant supply of television programs, the Finnish public has watched them only in moderate numbers. Since the 1960s, the daily viewing time has remained at the average level of two hours per person per household; by 2000 it had reached three hours. Radio, newspapers, magazines, books and other media (including the Internet) occupy together twice the time devoted to television. The share of all media advertising moneys channelled into television remains significantly lower in Finland (just over 20 %) than the European average (around 30 %).

The audience is divided fairly evenly between the two public service channels and the two commercial channels: YLE 1 and 2 together take typically 44 % of the audience, while MTV3 takes 38 % and channel 4 takes 11 %. Cable and satellite channels together take just 6 % ; they have never gained a major audience in Finland. The profile of YLE’s programming is more versatile, with higher diversity indices than those measured in the commercial channels, but even the latter receive rather high scores when compared internationally.

The analogue full-service television is complemented with new digital thematic channels. The Finnish choice has been to build the digital terrestrial distribution infrastructure, and to give this task to YLE. After postponements, digital TV broadcasting began in 2001 and the share of households of digital receivers has since grown steadily, amounting to some 8 % in the end of 2003. YLE has its own multiplex with two simulcast and three new specialized channels, whereas two multiplexes are for commercial operators. In principle, digital television is free to air, but commercial channels have developed some pay-TV services.

The unique cross-border influence between Finland and Estonia during the Cold War era should be briefly mentioned. This unusual situation not only played a role in the early history of Finnish television—it became an even more significant factor in the 1970s and 1980s, when the Finnish television signal was clearly and reliably received in northern Estonia. Estonians, who speak a language closely related to Finnish, tuned in to Finnish television more frequently than Soviet-Estonian television, until the period of *glasnost* in the late 1980s, when emancipated Estonian television became an instrument of an exciting political struggle. Finnish television—YLE as well as MTV—had a significant political and cultural impact on Estonian society during the last decades of Soviet rule. Estonia was the first Soviet Republic to break away from the USSR in the 1990s, and it is not just a joke to say that one of the strategic factors which contributed to the collapse of the Soviet Union was Finland’s television.

Further Reading

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