

# Contents

<i>List of Figures</i>	viii
<i>List of Tables</i>	x
<i>List of Maps</i>	x
<b>1 INTRODUCTION</b>	1
The Finnish Information Society in a Global Context	
<b>2 THE MOBILE VALLEY</b>	19
Nokia, Finland, and the Transformation of the Finnish Economy	
<b>3 INNOVATION ABOUT INNOVATING</b>	45
The Unlikely Innovation System: The State, Corporate Business, Universities, and Hackers	
<b>4 THE WELFARE OF THE NATION</b>	77
The Information Society and the Welfare State	
<b>4 THE LOCAL INFORMATION SOCIETY</b>	103
Spatial Dynamics, Information Technology, and Public Policy	
<b>6 THE POWER OF IDENTITY</b>	127
Identity Driving the Information Society and the Information Society Building Identity	
<b>7 THE FINNISH MODEL OF THE     INFORMATION SOCIETY</b>	140
<b>8 CONCLUSION I</b>	151
The Challenges for Finland	
<b>9 CONCLUSION II</b>	166
Learning from Finland	
<b>Appendices</b>	171
<b>Bibliography</b>	180
<i>Index</i>	197

# List of Figures

1.1	Technological development measured by the UN technology achievement index	5
1.2	Economic development measured by the IMD competitiveness index	6
1.3	Social injustice measured by the ratio of the richest 20 percent to the poorest 20 percent	7
1.4	Social exclusion measured by functional illiteracy	8
1.5	Social injustice and exclusion in the shift from an industrial to a network society in the United States and Finland, 1950–90	9
1.6	The transformation of the Finnish economy measured by export share, 1960–2000	13
2.1	The net sales of Nokia (billion FIM)	41
2.2	The foreign and domestic employment of Nokia	42
3.1	Research and development investment in Finland, the United States, and the EU, 1981–2000 (percent of GDP)	50
3.2	Public and private research and development investment, 1991–9	59
3.3	Total-factor productivity of Finnish manufacturing, 1975–99	74
4.1	Social injustice measured by the Gini index, 1998	78
4.2	Social exclusion measured by the incarceration rate per 100 000 population, 2000	79
4.3	The collective protection of labor measured by the rate of unionization (percent), 1996	80
4.4	Social injustice and exclusion in the shift from an industrial to a network society in Finland, 1966–90	82

## List of Figures

4.5	The GDP and the unemployment rate, 1990–2000	84
4.6	Part-time workers in the total labor force, 1990–2000	86
4.7	The GDP and the social expenditure growth, 1996–2000	88
4.8	Finnish attitudes toward the welfare state. “Even if good social security and other public services are expensive they are worth it”	89
4.9	The top five priorities of Finns in relation to public services	90
5.1	Population projection by major regions of Finland, 2000–25	106
7.1	The Finnish model of the information society	142
7.2	Business and innovation in Finland	143
7.3	The state and society in Finland	144
7.4	The spatial dimension in Finland	145

# List of Tables

1.1	A comparison of selected information society models	15
2.1	Some Finnish IT cluster firms in 1999	24

# List of Maps

5.1	The change in population concentration in Finland, 1995–2000	107
5.2	The Internet content providers by municipality, 2001	109
5.3	The Internet content providers per 1000 population, 2001	110
5.4	The locations of IT related business establishments within the EU	111
5.5	The threat of depopulation by the subregional unit	113
5.6	The GDP per capita and the location of universities with strong technology programs	117