The weight of the past: political parties' 'genetic' heritage and the ease of their organizational professionalization

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ABSTRACT How do political parties react organizationally when their competitive context changes? Are all parties equally accustomed to adapting? In recent decades, the emergence of an electorally volatile and publicity-oriented style of politics has pushed Western parties to replace member-centered mass organizations with centralized 'media agencies'. However, as it has long been speculated, parties' 'genetic' heritage may condition their adaptive capacity and threaten their competitiveness. This study presents the first comprehensive quantitative test of the impact of party 'genetics' on the ease of parties' organizational professionalization in the cartel party era (1983–2018). It utilizes uniquely fine-grained time-series data on the financial and staff resources of central party offices to compare the adaptive processes of two 'genetically' distinct major Finnish parties – a social democratic mass party and a conservative cadre party. The study finds that although both parties have professionalized under the very strong external pressure , the 'genetically' election-driven cadre party case adapted much faster, and the member-oriented mass party case continues to invest much more on its membership organization.

KEYWORDS: party organization, party change, party types, cartel party

1. Introduction

Since mid-1960s, professionalization of party organizations has been a prominent theme in the literature on political parties. Despite being an elusive concept (Lilleker and Negrine 2002; Negrine 2005), seminal studies described in rather similar terms how the erosion of societal class divisions and the emergence of publicly funded, fast-paced and media-driven style of politics pushed parties to reform their 'mass bureaucracies' into 'electoral-professional' 'media agencies' in the last quarter of the 1900s (Epstein 1967; Katz and Mair 1995, 2002, 2018; Kirchheimer 1966; Panebianco 1988). The professionalization thesis implies a major change in party organizations' functional orientation: from serving party members, they turned their gaze onto general electorates.

Empirically, the most developed strand of party professionalization research has dealt with electoral campaigning. An extensive body of work has demonstrated convincingly how Western parties began to utilize new campaign techniques based on modern ICT to 'sell their products' to 'increasingly fickle audiences' (for an overview, see Gibson and Römmele 2009).

Less attention has been paid to more permanent structural effects that professionalization of politics has caused in party organizations (Farrell and Webb 2000). Changes in parties' functional orientation – from member- to voter-driven ethos – and supporting organizational structures have been mostly considered in qualitatively oriented case studies, for example, on British (Scarrow 1996; Smith 2006; Webb and Fisher 2003; Webb 1995), Austrian (Müller 1997), German (Scarrow 1996; Smith 2006) and Norwegian (Heidar and Saglie 2003; Karlsen 2010; Karlsen and Saglie 2017) parties. While the extent of

professionalization has varied, from idealistic rhetoric (Norway, Heidar and Saglie 2003) to a total change of focus and form (Social Democratic Party of Austria, Müller 1997), media-centred professionalism appears to have become, in general, a more prominent feature in European parties.

However, even in the advanced field of campaign professionalization, a major shortcoming has been the lack of quantitative longitudinal comparison (Tenscher 2013). Therefore, although a general professionalizing tendency seems to exist, we do not know how and to which extent, exactly, parties have changed their use of organizational resources and, more importantly, have all parties reacted similarly. Time-series data on party staffs and finances are notoriously rare and usually limit to the level of major party units. Even the most thorough effort (Smulders and Maddens 2019) limits to overall staff spending, which gives only a limited picture of parties' changing functional orientation.

Due to this lacuna, one crucial aspect of party professionalization has not been properly assessed i.e., the question of whether *all types of parties have adapted to professionalizing pressures at a similar pace and extent*. This question is important because, as Scarrow and Webb (2017: 4) have noted, differences in parties' organizational ethos may result in parties having varying capacity to connect with their supporters. If a party is not able (or willing) to adjust its organization to changing demands, it may lose touch with its supporters and become less able to represent their interests..

To gauge the possibility that different types of parties may have reacted differently to external pressures to professionalize, this study utilizes uniquely fine-grained time-series data (1983–2018) on the financial and staff resources of

central party offices of two major Finnish parties that hail from distinct and general 'genetic' organizational traditions, the cadre and the mass party models (Duverger 1967). The Social Democratic Party of Finland (SDP) represents the latter that has been known for its member-driven ethos and organizational inflexibility (Kitschelt 1994). The National Coalition Party (NCP) represents 'the family' of conservative cadre parties that has been known for election-driven ethos and organizational flexibility (Beyme 1985).

Via focused intertemporal comparison, the study contrasts two major theories of party change. The environmental adaptation theory expects parties to adapt to societal trends with relative ease and thus converge toward the era's 'ideal' model (Harmel 2002). Institutional theories of party change instead highlight the more immediate dynamics of party change (leadership activity, external 'shocks', etc.), and the conditioning effect of parties' foundational differences (Harmel and Janda 1994; Panebianco 1988; Wilson 1980). However, while the models emphasise different drivers of change, they are not mutually exclusive: abrupt changes naturally occur within broader trends (Müller 1997). Similarly, the notion of party 'genetics' does not suggest that parties do not change at all. It only expects parties' reactions to be conditioned by type-specific characteristics.

This study presents the first quantitative longitudinal assessment of the professionalization of central party offices. Due to the limited number of cases, it should be regarded as a 'plausibility probe', i.e. a preliminary exploration on the potentially continuing effect of party 'genetics' on party organizations' functional adaptation. The broad party theories have largely neglected the 'genetic' effect, although it has been deemed relevant in relation to many other organizational

features of parties in several recent studies(see Pedersen 2010;Passarelli 2015 and Koskimaa 2020). Finland constitutes a good setting for a preliminary test, as it has undergone, often quite dramatically, all societal changes that should enhance party professionalization (see Section 4 for a full description of the party cases and the context). The study's objective is to determine if grounds for a more thorough assessment exist, as similar societal dynamics and 'genetic' party types have existed in most European democracies, and by developing new quantitative measures, it also provides a methodological benchmark.

The study seeks to answer the following questions: 1) Did the SDP and NCP respond to changes in their competitive 'environment' by reallocating resources from 'mass party tasks' to 'electoral-professional' tasks? 2) Did the parties adapt at an equal pace and extent? And 3) if the speed and extent of adaptation differed, can the differences be attributed to the parties' 'genetic' differences? As the study simply compares the evolution of party offices the causal mechanisms behind parties' actions are not directly assessed. However, the broad array of measures combined with careful contextualization provides decent grounds for speculation.

The next section explains why and how party offices are expected to change due to professionalization, and how party 'genetics' might condition the process. The third section introduces the study's method and data. The fourth section describes the 'genetics' of the studied parties and the pressures they experienced around the turn of the millennium. The fifth section tracks parties' reactions, and the sixth section concludes the paper by evaluating the findings from the viewpoint of party 'genetics'.

2. Professionalization of central party offices

Professionalization of party organizations relates to the evolution of representative democracy. During *party democracy*, party politics built on the socio-economic divisions of industrial mass society (Manin 1997). The era's predominant organizational model, the mass party, lived off the support of a certain social class. It emphasized the role of party membership as it extended party's 'roots' deep to the class base. Campaigns operated through membership networks. Party members also delivered significant financial resources, and core activists created an important communication channel between leaders and members. Due to these considerable benefits, mass parties produced a wide array of activities for their members (Duverger 1967). Functionally, mass parties emphasized class mobilization, and supporting organizational structures focused on the needs of the membership.

According to the environmental adaptation theory of party change, parties change because changes in their socio-technological operating 'environment' alter the conditions of inter-party competition (Harmel 2002). For example, the emergence of a new communications technology can severely alter the logic of political marketing. The implementation of the new technology provides an advantage for a party, whereas failure to implement it threatens the party's competitiveness and survival. Thus, in this model, party leaders are compelled to seek similar organizational reforms that lead to convergence (Heidar and Saglie 2003).

According to the party professionalization thesis (here deduced through Katz and Mair 1995, 2002 and Panebianco 1988), three major socio-technological

changes altered the role of party membership in the last quarter of the 20th century, incentivizing party leaders to seek organizational reform. Firstly, the *thawing of social classes* 'diluted' partisanship and produced more unstable electorates. As the value of 'floating votes' increased, party members' special position (as the 'roots' of the party) weakened. Secondly, *mediatization of politics* decreased the importance of intra-party communication as it allowed party leaders to communicate directly with the general 'opinion electorate'. As mass opinion became more vacillating, and political messages increasingly sensitive to public interpretations, party leaders were incentivized to control parties' public appearances and messages. Finally, the *institutionalization of public subsidies* tied party activity more tightly to elections, as subsidies were often allocated according to parties' electoral fortunes. Subsidies also weakened party members' financial leverage. Overall, party membership, which has been declining throughout Europe for decades (Van Biezen et al. 2012), is a much less prominent feature in today's party politics (Van Biezen and Poguntke 2014).

To maintain competitiveness, parties should go through distinct reforms, i.e., to professionalize. Party professionalization is a multifaceted concept (Lilleker and Negrine 2002) that has been connected to 1) the development of communication techniques (Farrell and Webb 2000; Gibson and Römmele 2001; 2009); 2) centralization of party organizations (Katz and Mair 1995, 2002; Poguntke and Webb 2005); and 3) the changing characteristics of party staff (Karlsen 2010; Karlsen and Saglie 2017; Katz 2002; Negrine 2005; Panebianco 1988; Webb and Fisher 2003; Webb and Kolodny 2006). While emphasizing different aspects of professionalization, these notions share the idea of parties' changing functional

orientation, i.e. the move away from the inward-looking member-centrism of the mass party towards the 'extroverted' ethos of the 'electoral-professional' party where all voters are equally valuable. Combined, the models produce a sufficiently broad and operationalizable definition of a professionalized party organization.

Professionalized party organization is, first, strongly committed to *'permanent campaigning'*, i.e., a continuing effort to sway voters via professional management of a party's public image and policies. This effort calls for well-resourced communications departments, which emphasize direct interactive communication (e.g., via the internet) with general electorates at the expense of intra-party communications. (Farrell and Webb 2000; Gibson and Römmele 2001; 2009)

For efficiency, clarity and control, subnational party organizations are marginalized from parties' national publicity activities as they may jeopardize the unity of the party's 'message'. Ideally, the message emanates from a single national source (party headquarters), so a professionalized party is also *a centralized party*. Subnational party networks that were built to cultivate mass membership become less important (Katz and Mair 1995, 2002; Poguntke and Webb 2005).

These changes significantly impact party staffs. As 'permanent campaigning' requires costly external resources (advertising, marketing, opinion data, etc.), professionalized party office is *capital-intensive* (Katz and Mair 1995; Gibson and Römmele 2001; 2009; Katz 2002). Instead of rewarding loyal 'party men' with jobs like the mass party did, professionalized party hires experts to *manage*

publicity and policy, which in a context of increasing political complexity take a more technical leaning. Expert staff is *expensive* because unlike 'party men' who emerged from parties' 'natural' occupational cohorts (workers, entrepreneurs etc.), 'intellectual professionals' of information age are '*highly-educated* personnel of upper-middle-class extraction' who join parties for careerist purposes (Panebianco 1988: 220–222, 231–235; for an alternative view of experts' roles and motives, see Karlsen and Saglie 2017). As experts' careers depend on parties' success, they develop a strong *focus on elections*. Unlike 'party men', experts also enjoy *professional recognition, autonomy and agency* (Katz 2002; Webb and Fisher 2003; Webb and Kolodny 2006; Gibson and Römmele 2009).

This sounds intuitive, but the reality of parties' organizational adaptation can be less harmonious. Duverger (1967) already observed that parties are organizationally 'conservative' and do not change easily. Later, various party change scholars have emphasised that party change never 'just happens': successful reform requires severe external pressure, favourable intra-party conditions and deliberate leadership effort to overcome intra-party resistance that builds on the preservation of the organizational status quo (Wilson 1980; Panebianco 1988; Harmel and Janda 1994). In other words, a party may or may not react to external pressures.

The ease of adaptation could also vary *between* parties. In their formative phase, parties make organizational choices, which, in time, institutionalize into distinct 'genetic' characteristics – i.e. semi-fixed organizational preferences – which then begin to condition parties' reactions to internal and external pressures

(Panebianco 1988). In other words, foundational choices are path dependent: the selected trajectory becomes (self-)reinforced by the agent(s) that the foundational choice empowered over other agents. In time, due to several consecutive rounds of (self-)reinforcement, the power asymmetry can become 'naturalized' (i.e. it is not challenged at all) (Pierson 2004).

Path dependent dynamics have appeared frequently in party literature since the mid-1900s. Consider the 'mother types' of European party organizations: the cadre and the mass party models. The former emerged and consolidated when established elites tried to counter the effect of universal suffrage by erecting MP-dominated, loosely organized and passive ad hoc campaign organizations. In contrast, the parties that organized along the mass party model erected dense networks of activist-driven, permanently operating and strong subunits, which also engaged in various extra-electoral activities (education, agitation, leisure, etc.) (Duverger 1967). In the models, the memberships' role varied significantly. Only mass parties conceived activists as powerful agents. (Scarrow 2015). If 'genetic' differences can travel over decades, as recent empirical studies suggest (Pedersen 2010; Passarelli 2015; Koskimaa 2020), professionalization should have been easier for parties with cadre party 'genetics' than parties with mass party 'genetics', because the external pressure contoured the former's vote-seeking ethos while it challenged the latter's membership-driven ideals.

Drawing from these ideas, Gibson and Römmele (2001; 2009) developed a party-centered theory of professionalization that emphasizes parties' *agency* in enhancing their ICT-based communications. The theory underlines that even under severe external pressure parties do not professionalize automatically;

change requires deliberate effort, which is conditioned by several forces. Party-level factors that enhance professionalization are: 1) vote-seeking ethos (as party's primary goal), 2) right-wing ideology (that supports business-like thinking), 3) top-down management culture and 4) extensive resources. Besides acknowledging societal trends, the model identified abrupt 'shocks' that drive change in the short term: 1) a major electoral loss (that exposes a threat for the party's primary goal) and 2) leadership change (that provides incentive and leverage to drive change). According to the model, the most likely party type to professionalize is a large mainstream right-wing-party that faces electoral loss and adjacent leadership change. Next, the measures for studying these broad propositions are introduced.

3. Methods and data

Seven indicators were developed that measure central parties' use of money and staff resources to assess SDP's and NCP's professionalization processes. They connect to the features of the mass and electoral-professional party models that were earlier deemed important for professionalization. To gain robust results, the indicators measure professionalization from both perspectives, considering the diminution of the parties' mass party character *and* the strengthening of electoral-professional party characteristics.

The first set of indicators measures the general features of professionalization: the transformation from labour-intensive and quasi-amateur bureaucracy into a capital-intensive and professional 'agency'. Firstly, a professionalizing party needs increasing amounts of money to buy external services. If its incomes do not increase, it has to reduce other expenses and a natural place to save costs is

the traditional in-house labour, i.e. the 'party men'. Therefore, 1)*capital intensiveness* was measured with annual aggregate staff expenditure (reported as the relative share from the party's annual gross total expenditure (%)), which in a professionalizing party should decrease over time, as the party saves money for external services. Secondly, in a professionalizing party the remaining staff should consist of highly skilled experts. Here, 2) *workforce professionalization* was measured with party central office workers' average annual salary. It was calculated by dividing party's annual aggregate staff expenditure (in Euros, deflated with the annual cost-price index (CPI)) with the number of permanent salaried employees. Average figures should increase because experts earn more than 'party men'. The measure does not include non-salaried volunteers that can assist permanent workers. However, it seems likely that their amount has decreased, too, along the decline of voluntary party activism (Mickelsson 2007). In more substantial policy development, parties may still consult experts of auxiliary interest organizations (Nousiainen 1998).

The second set of measures taps changes in party offices' functional orientation, i.e. the turn from cultivating membership networks to 'permanent campaigning' that centres on publicity management Three measures were used. . A party may enhance its publicity management by, first, allocating more money for it. 3) *Electoral-professional spending* was assessed through parties' publicity and communications expenditure (% of gross total expenditure). Following Nassmacher's (2009) definition ('a group of costs that are incurred in order to buy some means of communication, which address the general public without identifying any specific purpose'), we combined all relevant internal and external

spending items from the parties' financial reports. Although the reports are submitted to official investigation (that focuses on the lawfulness of the use of public subsidies), they are not required to follow a uniform format. However, because all parties engage in rather limited and similar functions (Nassmacher 2009), individual spending items (newsletters, telecommunications, Internet, 'image', etc.) and broader categories (publicity, communications, marketing, etc.) were easy to detect from the reports. Changes in the level of reporting posed the main challenge. Sometimes, certain activities ended, parties changed their names, or collapsed them into broader categories. Because the reports simplified over time, the items needed to be aggregated into highest possible level to allow comparisons between parties and across time. The reports present annual comparisons, so over time accuracy could be tested by comparing broader categories with the sums of individual items. The final aggregated measure is a broad estimate, but it is sufficiently reliable for examining broad structural trends.

Parties' second strategy to enhance publicity management is to hire more media experts. 4) E*lectoral-professional workforce* (% of the total staff) should, therefore, increase over time, too. To observe changes in the functional orientation of party staffs, annual aggregate staffs were divided into three functional categories according to workers' titles. The category of *administrative staff* included general managers (including the party chair and general secretary), financial managers and accountants, office secretaries, janitors and chauffeurs etc., i.e. all positions which did not have a clear functional focus. Because of this, this category has not been reported here. The *associational staff*

category included regional officers, trade union specialists, municipal secretaries, auxiliary liaison officers, education officers and co-op secretaries. This category was intended to reflect mass party staff, whose work is focused on cultivating traditional membership networks and activities. The *political planning and publicity staff* category included political planning officers and secretaries, publicists and media workers, web coordinators and permanent campaign staff, etc. This category reflects electoral-professional tasks. To ensure reliability over time, the staff measures were coded and calculated manually, by comparing year by year every position title and the name of the job holder. Only permanent employees were included. The criterion was that a position had to have been filled for at least six months of the year. This is excluded temporary campaign workers, for example.

Such simple categorizations naturally come with limitations. It is possible that the content of a task changes while the title stays the same, or that different organizations mean different things with similar titles (or have similar tasks under different titles). However, considering that the study compares organizations from the same 'industry area', at the same point of time and at a high aggregate level, the measures should be sufficient for a broad over time comparison.

A third, more accurate measure that is used to assess the turn towards 'permanent campaigning' relates to a significant institutional change. In 2008, Finnish parties gained a total control to determine how to use a significant portion of party subsidy (called 'the press subsidy'), which had previously been reserved exclusively for party newspapers – a quintessential form of party

communication in the mass party era. Since 2008, the parties have been able to use press subsidy for other publicity and communications activities, too, including more developed (and more electoral-professional) forms of party communication.mass party. 5) A *media preference* measure shows the share (%) of the press subsidy that parties have directed to other publicity functions since 2008. According to the professionalization thesis, the figure should increase rapidly.

The last set of indicators assessed parties' functional re-orientation from a complementary perspective, measuring mass party character, which according to the professionalization thesis should diminish over time. Here, the first indicator measures the development of the 6) *mass party workforce* by relating the (%) share of associational staff to the party's total staff. As a professionalizing organization should be able to execute the same functions with smaller resources, decreasing mass party workforce may not directly reflect the weakening of party's mass party character. For robust interpretation, the development of this measure is contrasted with other indicators, especially the adjacent development of the 'electoral-professional' workforce. The second indicator of mass partyness considers party centralization via 7) the *cultivation of subnational parties*. It was assessed by measuring the extent to which central party offices allocated annual allowances to district-level parties that run subnational party networks. While a centralizing party could continue to operate in a membership-driven fashion (by continuing to serve the subnational units), diminishing allowances inevitably restrict the autonomy of subnational parties. If central parties simultaneously become more office-seeking, (Katz & Mair 2002;

Poguntke & Webb 2005), it seems likely that the asymmetry in financial power will in time reflect in the functions of subnational parties, too.

To enable inter-party and over time comparison, the figures below report expenditure and staffing units as a proportion (%) of total party expenditure/staffing levels. This also clarifies the changes in parties' real preferences because relative cost shares consider changes in parties' gross incomes and expenditures, which change along with party subsidies that change according to parliament's decisions and parties' electoral fortunes.

4. The party cases and their changing operating context

The 'genetic' heritages of the studied parties conform well to the cadre and mass party models. Their main difference lays in the role of party members and intra-party organs that represent them. Membership's role is crucial in party professionalization.

The NCP (the cadre party case) was born in 1918 following the amalgamation of two upper-middle-class cadre parties, which descended directly from the 1800s diet factions, which obviously had had no need to organize. In 1905, the merger's majority partner, the Finnish Party that consisted of a small group of societally active upper-middle-class citizens (professors, journalists, bankers, etc.), established a three-tier organization (local, regional and national) to prepare for the following year's suffrage extension. However, in reality the organization was only a loose network of weak local units, with few hundred passive members, and power remained in the parliamentary group. The network only operated during elections, under the strict control of MPs. Until the 1950s, the 'professor-

statesman-leaders' party was a temporarily operating campaign network, not a 'continuously and coherently working organization'. In the 1950s, during the 'golden age' of the mass party ideal, the NCP formalized and expanded its organization. Despite new formal structures, however, the members' passivity continued to be the party's defining characteristic. By the 1970s, a new elite that had matured during 'the golden age' strengthened the central party organization. However, this initiative did not activate ordinary members much, and their passivity continued throughout the 1970s (Borg 1982; Hölttä 1984; Leino-Kaukiainen 1994; Mickelsson 1999; 2007; Vares 2008).

The SDP was formed in 1899, and it soon developed an extensive and functionally diverse mass organization. By the first general election in 1907, it had over 80,000 card-carrying members and around 1,000 actively operating local branches. From the first decade of the 1900s, its activist-driven extra-parliamentary decision-making organs held authority within the party. Until WWII, the SDP was Finland's only genuine mass party, with a 'vast and active, comprehensively cultivated and actively participating membership, and a solid network of local organizations', which operated on a permanent basis. After the wars, when the bourgeois parties started to expand their organizations, the SDP assumed a more electoral outlook. In the 1970s, when the class conflict cooled, it turned into a semi-professional 'policy factory'. Still, member-driven intra-party representation continued to be the party's fundamental operating norm, and the leading role of representative intra-party organs was never questioned publicly. The SDP's mass party identity, with its member-driven emphasis, was clearly

recognizable still in the 1990s (Borg 1982; Hölttä 1984; Mickelsson 1999; 2007; Soikkanen 1975).

While the parties' organizations converged in the 1950s and 1960s (Sundberg 1994), they entered the cartel party era (from 1970 onwards) holding organizational ideals which reflected their 'genetics' (Mickelsson 1999; Rantala 1982). They faced professionalizing pressures from varied viewpoints.

Over the last fifty years, Finnish parties' operating 'environment' has become strongly supportive of party professionalization. All three socio-technological transformations that were earlier described as sources of professionalization have been very much in evidence.

First, the erosion of Finland's class-based social structure and the corresponding decrease in political mass participation occurred quickly. Finland is the only European country where industry has never been the largest sector. Its transition from a 'poor agricultural country to a wealthy post-industrial society' was very rapid, making Finland an extreme case of societal change (Karvonen 2014, 24–31). Coincidentally, party membership shrank quickly. In 1980, the combined membership of Finnish parties reached an all-time record. By 2006, it almost halved (from 607,261 to 347,000; Van Biezen et al. 2012: 44), and over a third of local party branches were closed (Mickelsson 2007: 404–405).Between the 1970s and 2010s, the average turnout in parliamentary elections declined by 10%. Whereas in 1945-1970 parties had enjoyed stable support, in 1970-1995 electoral volatility in Finland increased significantly (Drummond 2006). The consolidation of the Green Party (formed in 1988) and the nationalist-populist Finns (formed in 1995) increased the fragmentation of the already very

fragmented party system. For decades, the three (or, following the Finns' major victory in 2011, four) largest parties have competed for the first place that guarantees the prime minister's position. In the most recent general election (2019), there was only a 0.7% vote margin between the three largest parties. Due to all these changes, 'floating' or 'mobile' votes have become much more valuable and unpredictable compared to the 1970s. Parties have every reason to invest in finding them.

Second, party finances also underwent a complete transformation during the research period. Until the late 1960s, Finnish parties were mainly funded by member and affiliate contributions. When TV campaigns popularized in the mid-1960s, members' willingness to contribute decreased, forcing parties to find alternative sources of income. Party subsidies were institutionalized in national legislation in 1969, and by the 1970s, subsidies had developed into parties' main funding instrument (Sundberg 2003: 127–135). By the turn of the 2000s, Finnish parties had become more dependent on public subsidies than parties anywhere else in the Western world (Pierre et al. 2000), and financially largely independent of their members (Sundberg 2003: 149). In the 2000s, subsidies have constituted almost 90% of parties' total income, while membership fees have only accounted for around 2–3%. As the subsidies are allocated to parties according to their parliamentary seats , the system strongly emphasizes vote-seeking. In 2008, the parties gained total freedom to use the subsidy's 'publicity portion' that was previously reserved for traditional party press.

Finally, the Finnish media landscape has changed dramatically since the 1980s. In the 1970s, party-related newspapers still dominated political publicity. Along

with rapid commercialization of the national media in the 1980s, party press started to wane, and a more personalized, less partisan form of political coverage took over. By allowing televised campaigning at the turn of the 1990s, Finland became freer than most European countries in terms of political advertising (Mickelsson 2007). At the turn of the 2000s, political debates and agendas started to enter the media in real time and take shape there, and complex issues quickly personalized Finnish politics (Paloheimo 2005). In the 2010s, social media created yet another incentive for parties to invest in publicity and communications.

5. Parties' organizational reactions in 1983–2018

FIGURE 1

According to the professionalization thesis, parties should save increasing amounts of money for external publicity services. Thus, their 'in-house expenditures' like staff costs should *decrease* over time. As Figure 1 shows, SDP and NCP's spending on central office personnel has indeed decreased since the 1980s. In the 1980s (1983–1989), the SDP spent annually, on average, 20.3% of its total expenditure on staff, and the NCP spent 18.4%. Despite the minor increases in recent years, the SDP's spending had decreased by the 2010s (2010–2018) to 17%, while the NCP's spending had decreased to 12.2%. The NCP has cut its staff costs more overall (the SDP reducing costs by 3.3 percentage points (pp) and the NCP reducing costs by 6.2 pp).

In 1990, the parties spent almost equal amounts on staff. The most dramatic change occurred shortly after, when both parties suffered a major income shock.

In the midst of the great recession of early 1990s, the Finnish parliament (Eduskunta) decreased the party subsidy significantly. Both parties also suffered significant losses in the 1991 parliamentary elections, resulting in a total income reduction of 22.54 pp in the SDP and 23.35 pp in the NCP (relative to the year 1990). This abrupt event, which took place amidst the more general pressure to professionalize party organizations, allows testing the party-centered theory of professionalization (Gibson & Römmele 2001). The shock caused an equally powerful push for both parties to re-shape their organizations. Did the parties react similarly?

Both parties changed their leaders in 1991, after the general election. In the NCP, a development team was assigned to plan how to lighten the organization. By 1992, its staff costs (%) had decreased from the 1980s average of 18.4% to 12.10%, and they have stayed below 13%, on average, until now. The SDP's leadership was also planning a 'flexible professional organization', but significant cutbacks were delayed until the mid-1990s and even despite the cut, SDP's staff costs remained at a higher level. In line with the party-centered theory, it appears that the NCP's new leadership was able to react to professionalizing pressures (i.e. increase the party's capital intensiveness) faster and to a greater extent compared to the new SDP leadership. However, it should be noted that when party subsidy increased again in the early 2000s, 'in-house' staff costs did not begin to increase in neither one of the parties. Thus, a general and a more permanent turn towards more capital-intensive organizing has also occurred in Finnish parties.

FIGURE 2

According to the professionalization thesis, the remaining staff should increasingly comprise highly skilled experts who earn more than 'party men'. Figure 2 shows that this indeed was the case: the staff of both parties professionalized during the research period. The parties developed rather similarly until the turn of the millennium. At this point, the NCP took a significant leap, which the SDP was only able to follow in the 2010s. Between the 1990s and the first decade of the 2000s, the NCP staff's average salary increased from around 30,000 euros to 38,000 euros.[1] In 2004, in the aftermath of the devastating loss in the 2003 parliamentary elections, the party elected the young and dynamic Jyrki Katainen (33) to chair the party. With the active and strongly publicity-oriented new general secretary, Taru Tujunen, Katainen adopted a markedly professional and image-centred party style, which, in 2011, enabled the party to become the largest (for the first time in its history).

As in the early 1990s, major electoral loss followed by leadership change seemed to enable a fast 'spurt' in the NCP, like the party-centered theory of professionalization would expect (Gibson and Römmele 2001). The 1990s was a static time for the SDP. However, after 2008, when the similarly young and dynamic duo of Jutta Urpilainen (chair in 2008-2014) and Mikael Jungner (general secretary in 2010-2012) took over the party, after the major defeat in 2007 elections, SDP made a similar 'spurt', marking its gradual convergence with the NCP. In the 2010s, both parties paid their central office workers annual salaries of around 45,000 euros.

FIGURE 3

[1] In the 1990s, the average annual income of Finnish wage earners was around 30 000 Euros. Today, it is around 40 000 € (Statistics Finland).

Next, the analysis focuses on the changes in parties' functional orientation, firstly to the emergence of 'permanent campaigning' (that is assessed through the development of 'electoral-professional' staff and spending). As Figure 3 shows, the parties' post-1990 development supports the general professionalization thesis. Simultaneously, the measure reveals inter-party differences, which reflect institutional dynamics. After the 1995 election, the NCP increased its electoral-professional workforce rapidly. Between 1983 and 1995, 16.3% of the party's central office staff worked on such tasks, and over the next 13 years (1996–2008), the share increased to 27.7%. Between 1983 and 1995, the SDP, too, had over 15% (17.5%) of its staff working on electoral-professional tasks, but the share did not increase at all between 1996 and 2008 (17.1% on average). Again, however, the SDP closed the gap in the 2010s by reaching an average of 35.3%, while the NCP employed 34.7% in these tasks.

FIGURE 4

A similar development can be seen in electoral-professional spending (Figure 4). While it remains unclear whether the NCP had already started investing in electoral-professional spending by the 1990s, the expected differences were evident in the 2000s. In 2004, after the electoral loss and leadership change, the NCP made a significant contribution on these tasks (almost 10% of its total expenditure), while the SDP continued to invest almost nothing at all. After the 2008 leadership change, the party began a rapid climb, and in 2015, it surpassed all previous NCP investments, with over 16% contribution.

In 2008, the parties gained a significant new resource when the party press subsidy was released for all kinds of 'publicity and communications' work. The

subsidy has always been substantial. Since its inception in 1974, it has nearly equalled the annual general party subsidy. For example, in 2008, the SDP was given 4,050,000 euros – exactly the same amount as their share of the general party subsidy. To assess the turn towards 'permanent campaigning' at a more detailed level, Figure 5 shows how much (%) the parties continued to allocate to their traditional, member-oriented papers (national and regional) and how much they kept for central party's publicity and communications activities.

FIGURE 5

Although both parties have gradually increased their share of the subsidy, reflecting a general professionalizing tendency, there were also marked inter-party differences. After the subsidy was released, the SDP continued to channel it in full to its traditional newspapers for two years (2008–2009). In 2010, party's central organization kept 11% of the subsidy, and it increased its share gradually until 2014. In 2015, the central party kept almost half of the subsidy by halving support for the party's national organ, *Demokraatti*, which was established in 1895. This decision, too, highlights that the SDP found a new ethos in the 2010s. The NCP's central organization immediately took 19% in 2008, and by 2010, it had already increased its share to 30%. Again, the NCP re-allocated its resources faster.

Professionalization is also linked to parties' mass party character, which should erode when a party assumes a more electoral-professional organizational outlook. Here, the erosion of parties' mass party character was assessed through the development of their 'mass party staff' and the level of central parties' financial support for subnational parties (as a measure of party centralization).

FIGURE 6

Figure 6 shows that unlike previous indicators which presented rather clear and uniform trends that support the professionalization thesis, in terms of 'mass party staff', the parties have remained in their opposite 'genetic' corners most of the time. The SDP has stayed around the 20% level (22.7% between 1983 and 2018 on average) and the NCP clearly below it, at around 10% (11.0% between 1983 and 2018 on average). Here, the parties' preferences seem genuinely different, i.e. the differences do not only relate to the speed of change. The NCP seems to have only tried to maintain a minimum share of personnel in mass party tasks, whereas in SDP these functions have always been significantly more important.

FIGURE 7

Similarly, central parties' allowances to district parties (Figure 7) show no clear uniform trend in any particular direction, and until now, the parties have continued to subsidize their subnational organizations rather differently. In the SDP, the overtime average between 1983 and 2018 for this spending unit was 16.4% – over 10% more than the party invested in publicity and communications on average over the same period (4.9%). The NCP's annual average for district subsidies between 1983 and 2018 was 7.4% – roughly equal to the party's investment in publicity and communications (an annual average of 6.9%). Here, too, it seems that the NCP has merely maintained a minimal subnational network (even a professionalized party needs to uphold some activity in districts where elections are fought), while the SDP seems to have prioritized its subnational network over electoral necessities (the NCP gained

more seats in the 2007, 2011 and 2015 general elections). Overall, the measures of mass party character defy (at least as far as the SDP is concerned) the general professionalizing tendency that the other measures supported.

6. Main Findings and discussion: what could explain the 'genetic' effect?

During the past four decades, the Finnish political practice has steadily centered around 'floating' 'opinion electorates', general media publicity and persons. Meanwhile, both studied parties, one representing mass party 'genetics' and the other the 'genetic' heritage of a cadre party, have developed, as organizations, towards the electoral-professional 'media agency' model. Central party offices have become more capital-intensive and professional, and electoral-professional functions now consume significantly more resources than they did in the 1980s. Most analyzed measures consistently indicate the same thing. A clear and uniform tendency of party professionalization has occurred in Finland.

At the same time, it is equally clear that the speed of adaptation has varied between the party types. The NCP, a descendant of the cadre party tradition, reacted rapidly to professionalizing pressures: it reduced its mass party features and enhanced the 'electoral-professional' features of its organization considerably faster. Often, rapid changes were preceded by electoral losses and changes in party leadership, reflecting the party-centered theory of party professionalization (Gibson and Römmele 2001). The SDP, a clear exemplary of the mass party tradition, adapted more slowly. Although its reactions accelerated after the turn of the 2010s - also after a major electoral loss and leadership change - its central office is still less capital-intensive, and the party continues to allocate more resources to mass party activities (i.e. subnational networks).

These differences, which reflect the parties' 'genetics', are also systematic and consistent. A clear 'genetic effect' exists alongside the general professionalizing trend. Both party change theories are needed to explain these changes.

But how, exactly, can party 'genetics' continue to shape parties' organizational development in the 21st century? At least two explanations are possible. The first is a trivial one: party leaders, the initiators of organizational reforms (e.g., Wilson 1980; Panebianco 1988; Harmel and Janda 1994, Gibson and Römmele 2001) have varying organizational preferences. Theoretically, this variance could stem from normative (ideological) or practical (electoral) reasons.

In the former case, party leadership has internalized, through organizational learning, that the party's existing organization fulfils a certain normative principle that is still deemed valuable within the party. For example, such principle could be MPs' right to independent mandate, which in cadre parties turned extra-parliamentary organizations to party elites' service units. In mass parties, an equally strong principle could be the old tendency of treating of party members (especially the representatives of intra-party decision-making organs) as the highest rulers of the party, as they emerged from the class the party claimed to represent. Although they originated long time ago, such norms may still bear weight inside parties and impact leaders' choices. This could explain why the parties invest so differently on mass party tasks. Perhaps members simply continue to mean more for the SDP.

A more practical reason for party leaders' varying preferences relates on how they view parties' electorates. Even today, Finnish parties' voters' socio-demographic profiles differ (Suuronen et al. 2020). While the 'borders' between

core constituencies now matter more, party leaders also still need to focus on their core supporter bases, which are much larger. For SDP leadership, it still might make more sense to connect with voters through local party networks, while the NCP leadership might find the party's voters more easily via careful media branding. This, too, would explain the ongoing differences in the parties' 'mass party' expenditures.

A second potential explanation for the observed inter-party variation is intra-party resistance. In other words, while all leaders might want a reform, only some are able to execute it. As Panebianco (1988) noted, all organizational reforms cause friction because they threaten the existing distribution of power. But as Kitschelt (1994) demonstrated, social democratic (mass) parties have been exceptionally prone to organizational inflexibility, because of their wider distribution of intra-party power. Also, because professionalization has especially threatened membership networks, which have always been more important for mass parties, it is not hard to see why this particular reform might have been tougher to execute in the SDP. Even today, the SDP's core activists possess significantly more power in intra-organizational matters than the NCP's activist elite (Koskimaa 2020). Besides having the motivation (as they could lose power in a reform), they also have the means to counter the leadership's initiatives. This would explain the differences in the parties' reaction speed: in both parties leaders detect a need for reform, but SDP leadership cannot execute it as swiftly. Differences in the distribution of intra-party power could also explain why the SDP continues to support its subnational network in the mass party style.

Overall, however, it seems likely that all of these factors – ideological, electoral and power-related –somehow contribute to the 'genetic' effect. A more thorough analysis of parties' strategic decision-making is needed to uncover these mechanisms.

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Figures, captions

FIGURE 1

(above) Figure 1: Staff costs for central party offices in 1983–2018

(below) Source: Parties' financial reports 1983–2018. Missing data: 1991 for the SDP, 2018 for the NCP.

FIGURE 2

(above) Figure 2: Average wage of central office workers in 1983–2018

(below) Source: parties' annual and financial reports 1983–2018. Missing data: 1991 for the SDP; 2011, 2014 and 2017–2018 for the NCP.

FIGURE 3

(above) Figure 3: Electoral-professional staff in central party offices in 1983–2018

(below) Source: parties' annual reports 1983–2018. Missing data: 2011, 2014 and 2017–2018 for the NCP.

FIGURE 4

(above) Figure 4: Electoral-professional costs of central party offices in 1983–2018

(below) Source: parties' financial reports 1983–2018. Missing data: 1994–2003 for the NCP. AND Note: Until 2016, parties' 'publicity and communications spending' was reported separately, as a share of the 'press subsidy'. In 2016, the press subsidy was merged with the general party subsidy, and the shares could

not be collected directly anymore. For both parties, the 2016–2018 percentages are estimates, calculated by estimating, first, the share of press subsidy from the annual gross party subsidy on the basis of the 2015 distribution (%), and then the share (%) of 'publicity and communications spending' from the estimated press subsidy share, again according to the 2015 distribution. In other words, the estimates are based on the distributions in the 2015 report.

FIGURE 5

(above) Figure 5: Central parties' cut of the press subsidy in 2007–2018

(below) Source: parties' financial reports 2007–2018. AND Note: In 2016, the press subsidy was merged with the party subsidy. In the case of both parties, the 2016–2018 percentages are estimates calculated using the 2015 distribution, as in Figure 5.

FIGURE 6

(above) Figure 6: Mass-party staff in central party offices in 1983–2018

(below) Source: parties' annual reports 1983–2018. Missing data: 2011, 2014 and 2017–2018 for the NCP.

FIGURE 7

(above) Figure 7: Central party subsidy for district parties in 1983–2018

(below) Source: parties' financial reports 1983–2018. Missing data: years 1992–2002 for the NCP.

Figure 1

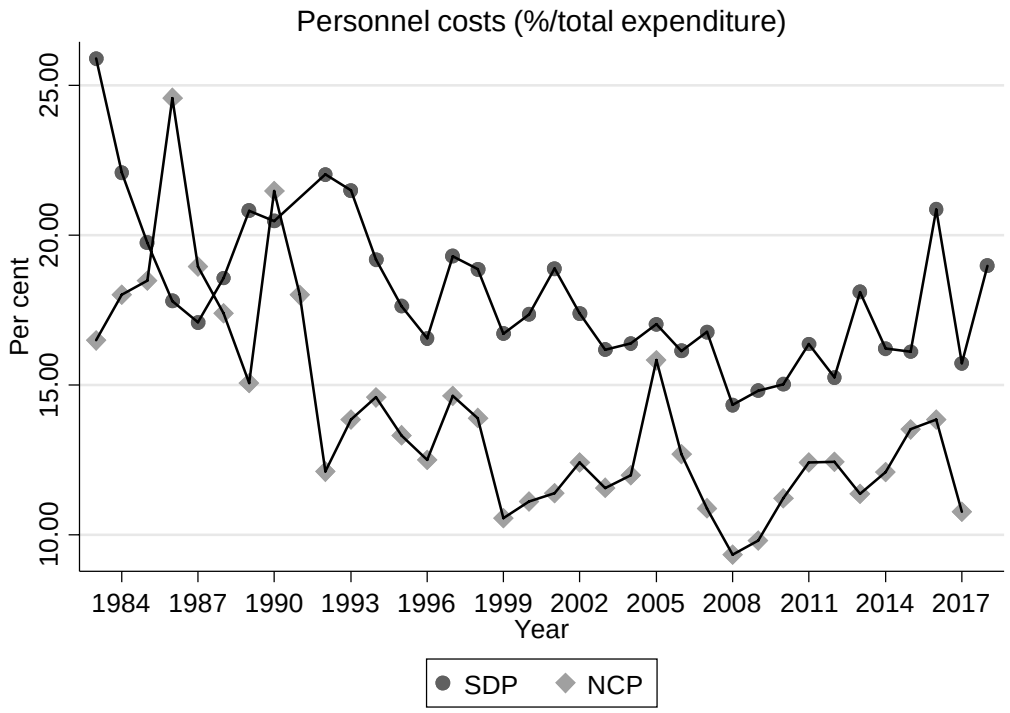


Figure 2

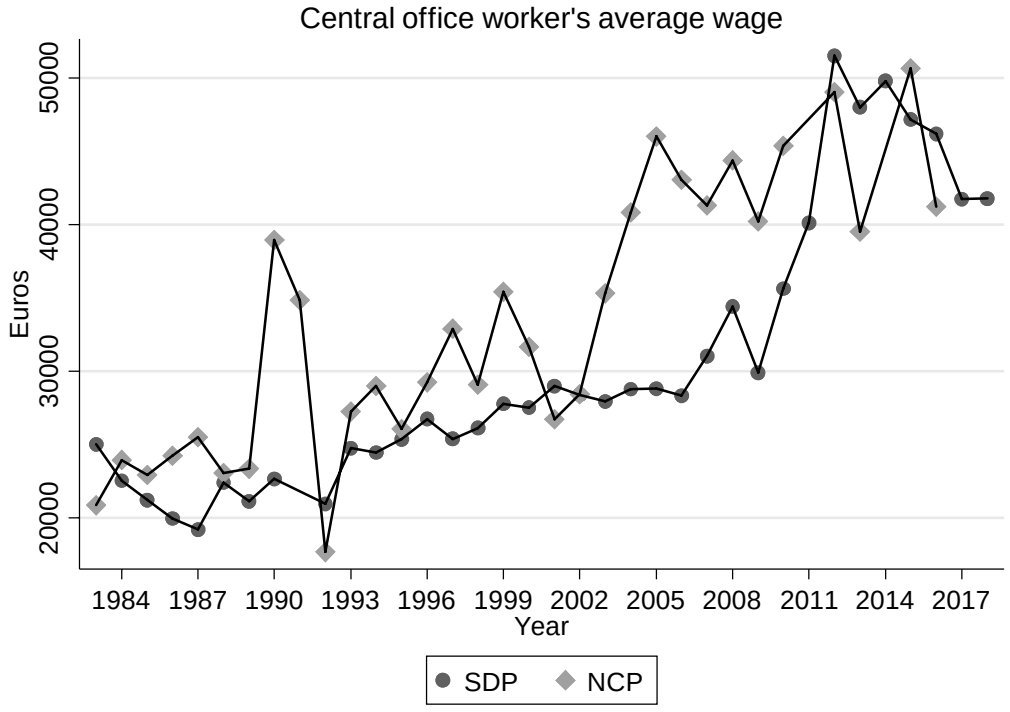


Figure 3

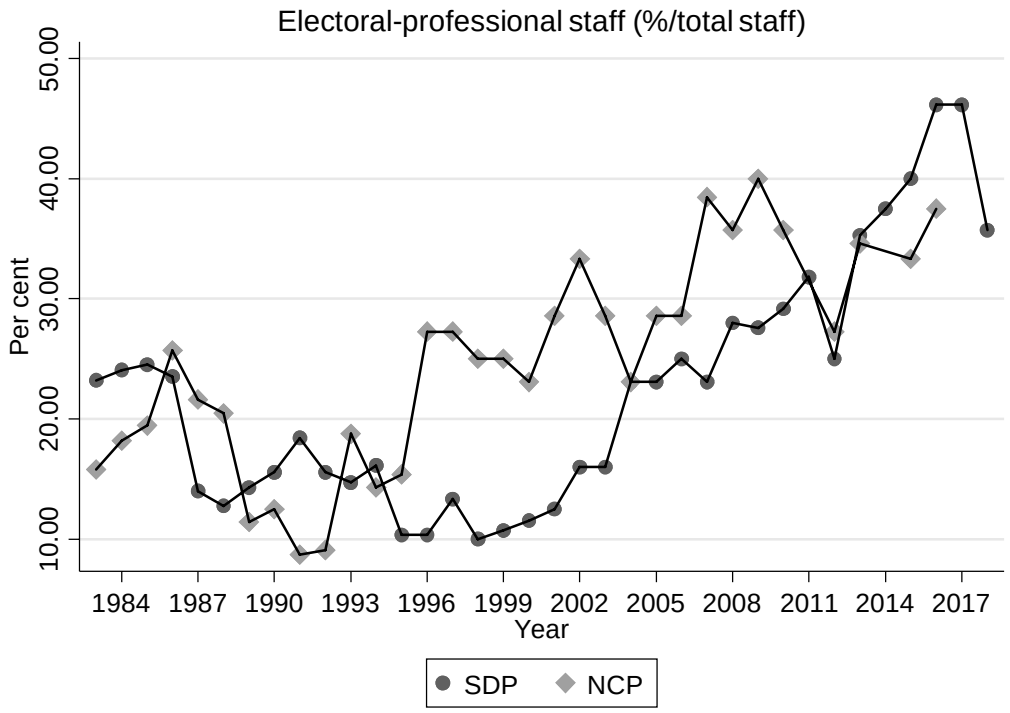


Figure 4

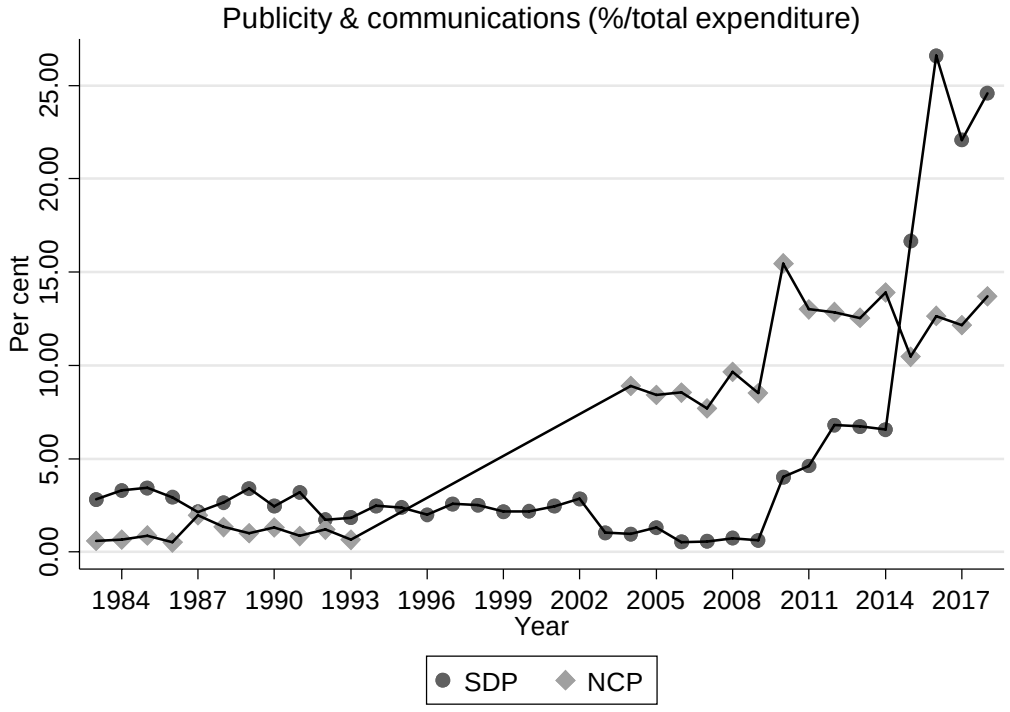


Figure 5

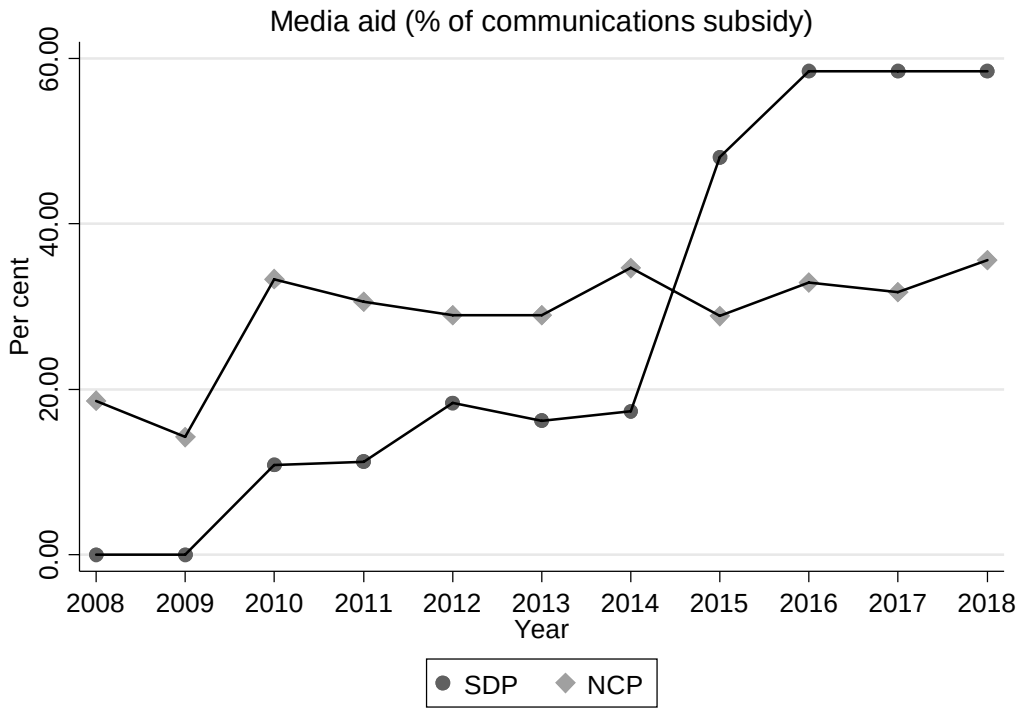


Figure 6

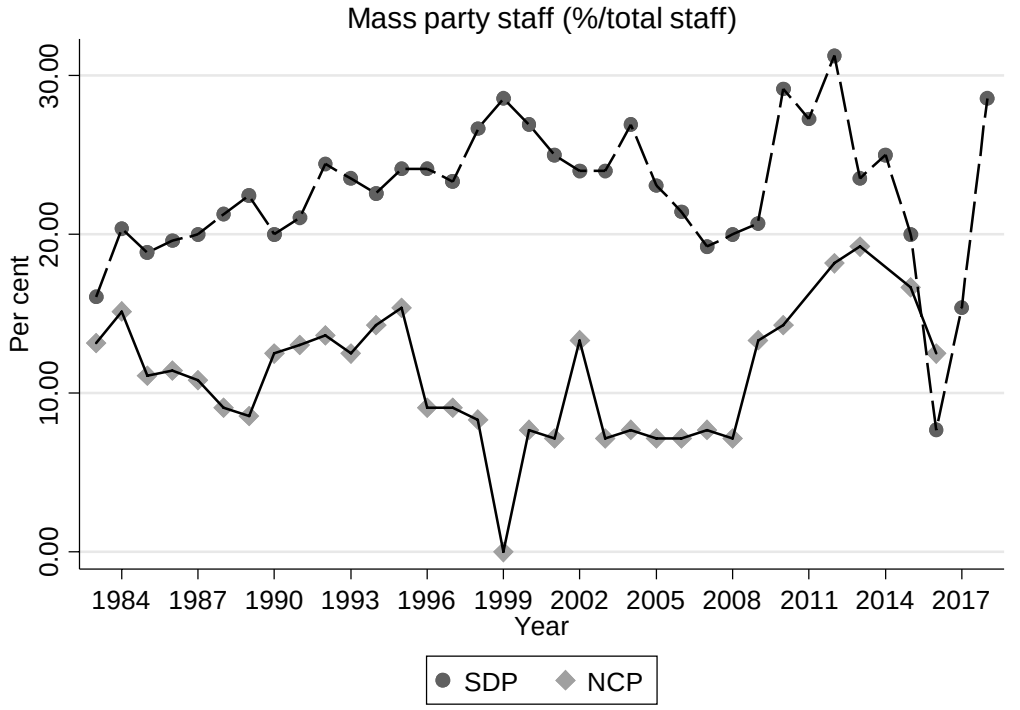
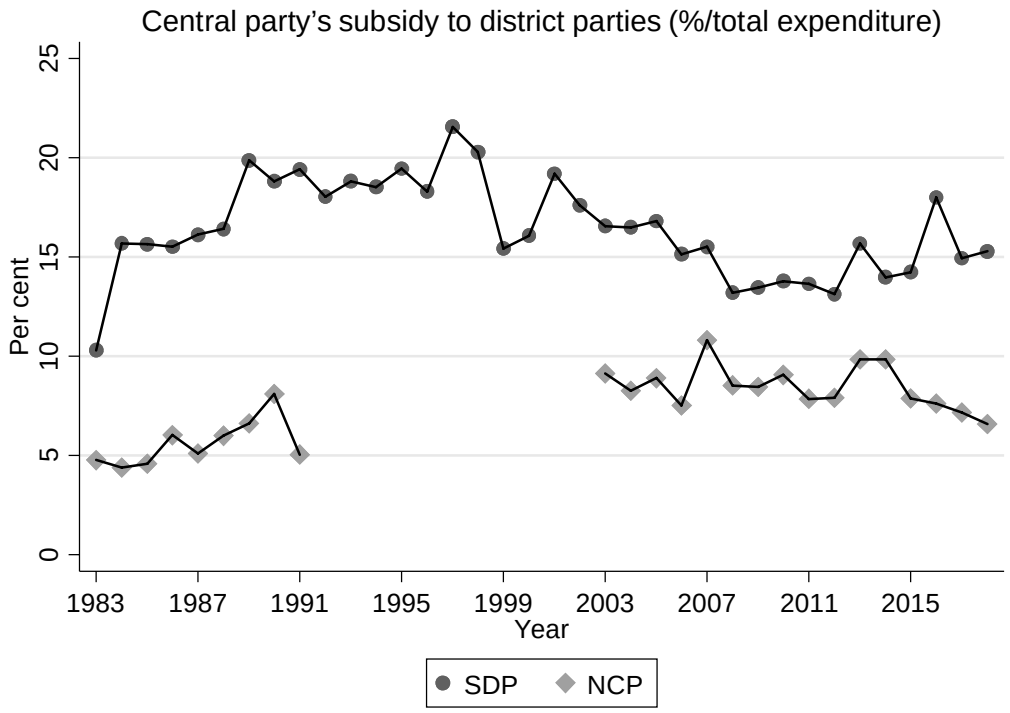


Figure 7


Central party's subsidy to district parties (%/total expenditure)
Per cent
0
5
10
15
20
25
1983
1987
1991
1995
1999
2003
2007
2011
2015
Year
SDP
NCP