

Dr. Susanna Fellman, Associate Professor
Academy Research Fellow
Economic and Social History
Department of Political and Economic Studies
University of Helsinki
Email: susanna.fellman@helsinki.fi
Phone: +358 9 19124934
Fax: +358 9 19124924

Tensions between the private and the public – The case of welfare services, town planning and investment in infrastructure in Finnish company towns, 1920-1960

Introduction

Today, corporate social responsibility and public-private partnerships are much to the fore, both in the political discourse and in societal research. This is for example the case when discussing the future of the welfare state. As historians know - and as this paper aims to show – CSR and public-private partnerships are no new phenomena.

Due to the significance of the forest industry, the early Finnish industrialisation took to a great extent place in the periphery i.e. in remotely situated mill communities. This led to the birth of mill communities built around one single company – a Finnish version of the company town model. During the early industrialisation and before the emergence of the ‘modern’ welfare state the company often took care of everything from town planning and education and health service to the building of roads, and railway lines etc.

In the late 19th century but also to some extent up until the WWII this was often out of necessity: there was no other party to provide for the infrastructure and the basic services. Company welfare - and other service - provision was, however, also part of the ideologies and values of this period. During the strongly paternal era the employer was to care for their employees in every respect ‘from the cradle to the grave’, and also in issues which extended beyond the employer-employee relations. At the same time this enabled a strict control of the workers.

This was also to the advantage for the municipality, especially when the obligations to produce various services, for its inhabitants grew. The local municipal authorities could, instead of producing these services themselves, buy them from the private company, or at least agree to share the costs of producing them. In certain cases the company and the local municipalities also produced them jointly, perhaps with the assistance of independent philanthropic organisations. The company could again in this way transfer part of the costs to the municipality. This system served, thus, both the interests of the local municipalities and that of the private company. As a result an intertwined relationship of mutual dependence between the company and the municipality evolved.

Modernisation ideologies and transforming relationships between the private and the public

The interwar period was one of rapid industrial progress in Finland. At the same time it was also marked by strong modernisation ideologies and the rise of the professional society. The companies – i.e. the owners and professional managers, saw – or at least wanted to create an image of – themselves as drivers of the new and the modern.¹ Thus, it was stressed that their duty was to provide a good and healthy working environment for their employees. Hygiene, fresh air, cleanliness and work safety was not only good for the workers, but also for the company as it would increase efficiency. Modernisation and rationalisation ideologies were closely connected and part of an international trend.² Corporate welfare and other service provisions were, moreover, an important tool to create and sustain the image of the beneficial employer, to secure the loyalty of the company's own employees and to create a company 'we-spirit'. This became important when alternative employment opportunities emerged.

¹ This can easily be observed both by looking at transformations on the company level and by looking at managerial and professional discourses. Fellman, Susanna 'Aesthetics in Modern Management – The Professionalisation of Management and the Creation of the Modern, Efficient Firm in Finland, 1920s–1940s.' In Kervanto Nevanlinna, A. (ed.), *Industry and Modernism – Companies, Architecture and Identities in the Nordic and Baltic Countries During the High-Industrial Period*. Studia Fennica Historica Helsinki 2007.

² See e.g. Biggs, Lindy, *The Rational Factory: Architecture, Technology and Work in America in the Era of Mass Production*. Studies in Industry and Society 11. John Hopkins University Press 1996; Markussen, Ole, *Danish Industry, 1920–1939: Technology, Rationalisation and Modernization*. *Scandinavian Journal of History* 1988; Brunnström, Lisa, *Den rationella fabriken. Om funktionalismens rötter*. Dokuma 1990.

The period was not only a period of modernisation ideologies on the company level, but also on in society at large. This received particular national – even nationalistic – flavours in the Finnish case, as the country had gained its independence in 1917 and also suffered a civil war in the 1918. For example, in the 1920s and 30s the discussion on social policies and especially housing policies were part of modernising the nation and of smoothing out conflicts; a project intended to raise the educational, cultural and moral level of the nation.³

In the interwar era the tasks of the public sector in welfare, health and other services grew, although the modern Finnish welfare state is a post-war phenomenon. Various legislative reforms were put forward and the municipal finance improved as a result of growing tax revenues and state subsidies. This provided the local municipalities with growing means to establish and expand the health care, educational services and investments in infrastructure. The views on the role and responsibilities of the public sector also changed. For example the Health Care Act of 1927 has been considered to signify a change in the profound outlook: health care was not any longer an issue of the private sector and voluntary work, but a responsibility of the public sector, mainly the municipality.⁴ The companies' interests in keeping up these services – which were not the 'core' activities – declined simultaneously. This led to a gradual transition from privately provided services towards publicly financed.

The 'division of labour' between the public and the private was, however, not absent of tensions and conflicts. The demarcation line between what was to be seen as 'private' i.e. company affairs and what was to be seen as tasks of the 'public' i.e. the municipality was not always easy to draw. There were discussion about whose responsibility certain tasks were, and who was to cover the costs etc. The company wanted to further they interest and keep municipal affairs in its hand, but at the same time be able to transfer some of the costs to the public sector. From the view of the municipality, the company interests when it came to town planning, land-use, housing, traffic and transport solutions did not always coincide with the public interest.

³ See for housing policy Salmela, Ulla *Urban Space and Social Welfare Otto-IIvari Meurman as a Planner of Finnish Towns, 1914-1937. Taidehistoriallisia Tutkimuksia Helsinki, 2004, 38–39*

⁴ Salmela 2004, 44; For the Finnish welfare state development, see e.g. Kangas, Olli, *Politikka ja sosialiturva Suomessa. In Paavonen, Tapani & Kangas, Olli, Eduskunta hyvinvointivaltion rakentajana. Suomen eduskunta 100 vuotta. No 8. 2006.*

The transition process gave also rise to new questions and new problems to be solved. It was not always clear what was owned by to company or what kind of compensation could be charged for the overtaking of e.g. health care centres or the expropriation of land areas. And although the public welfare services relieved the company from certain ‘unnecessary’ tasks, many of these activities had often been important for the company and part of image-building and, thus, threatened to decrease their influence and power in the local society.

The political and administrative processes and decisions did not either always please the company owners. Especially the growing political radicalisation in the post-war period 1960s, especially in company towns where a big share of the voters was factory workers, was of particular concern. The growing role of the municipal authorities inevitable led to a shift in local politics, in power relations in the local society, and in the development of services and infrastructure. On the other hand, as we shall see, companies also could develop new strategies and new ways to influence the municipal affairs and in some cases the municipality and the company could join forces also in the new environment.

Research problem

In this paper these tensions between the private and the public in an era of transitions is the focus of attention. I will study the goals of the individual company and how the relationship and the agreements between the company and the local authorities developed and transformed. Which long time effects did these private-public links – in some cases partnerships - have? I will ask which areas were particular sources of tension and why, and in which areas the transition and ‘division of labour’ between the municipal authorities and the company went smoothly. Which were the channels through which the companies could influence community and town planning and on which arenas could the public authorities and company owners meet? For example, in the company studied here a special department was established in the post-war period for developing and handling of company–municipal relations and for promoting the company’s interest in town planning and in general in the local society. This occurred in a period, when their direct influence was decreasing. I will also look at company managers’ attitudes and strategies towards the planning and developing of the local society and how their attitudes transformed as a result of professionalisation and modernisation ideologies.

The empirical material consists of company records from G.A. Serlachius Ab, a Finnish pulp and paper company situated in Mänttä. The main material is management records, i.e. board minutes, memoranda, planning reports, construction plans, correspondence, and, but also of town planning material and reports and minutes from municipality boards.

This paper is part of an on-going project *The Rational, the Efficient and the Aesthetic - The Professionalisation of Management and the Modernisation of the Finnish Firm, 1920s–1960s*. In this project I am investigating the connection between the professionalisation of management and the modernisation of Finnish firms during the period 1920 up to the 1960s, with a particularly focus on how the professionalisation process affected management on the company level, and how the professionalization process was expressed in transforming views, values and approaches concerning what was to be considered the modern firm, what was the role of the firm in society at large and how the new generation of managers considered their own role in the modernisation project. My main point of departure is that although the professionalisation process first and foremost affected the introduction and application of new managerial models, of new technology and signifying new employee–employer relations, the professionalisation also transformed managers’ attitudes towards industrial relations, towards social policies and towards the company’s role in the local community (this paper!) and in society at large.

The company

The history of G.A. Serlachius Ab (GAS) dates back to 1868, when the founder Gustaf Adolf Serlachius built a mechanical wood pulp mill in Mänttä, a small community about 90 kilometres from Tampere. In 1880, the first paper machine was installed. When the plant was originally established in Mänttä was a rural village, but it grew rapidly and formed in the inter-war a rural municipality with 2000-3000 inhabitants.. During the era of Gustaf Adolf, the firm remained small and was on several occasions on the verge to bankruptcy. The founder died in 1901, when the firm was transformed into a limited company and for some years management was in the hand of outsiders. A rapid expansion started when Gösta Serlachius, who was both a nephew and a son-in-law of Gustaf Adolf, took over management. This occurred in

1906 after he had acquired the majority of the shares.⁵ In 1908-1912 Gösta Serlachius left Mänttä for a while, and took over as managing director of Kymmene Ab, the biggest paper company in Finland which was on the verge of bankruptcy. In 1913 he returned to Mänttä, and a phase of rapid development started. The production capacity was increased by enlarging existing mills and by investing in new machines. New brands of paper, for example greaseproof, crepe paper and later tissue paper, were introduced; both being brands for which GAS later became well-known. In the interwar period the company started to produce cellulose wadding, a product in high demand during the war. The cellulose wadding production also laid the foundation for products like sanitary towels. The Serlachius family sold the company in the 1980s, but the brand name ‘Serla’ is still famous on the Finnish market for tissue paper and for greaseproof and baking paper.

Gösta Serlachius is one of the legendary figures in Finnish business history, but paradoxically he is perhaps best known for his activities outside GAS, particularly in the foundation of the big Finnish forest industry export cartels – he was “a warm friend of industrial cooperation”⁶ – and in the Finnish Confederation of Employers (*Suomen Työnantajien Keskusliitto* STK). He had close relations with the highest political élite, which gave him important assignments within the newly independent state, first during the Civil War (1918) and in connection to the development of Finnish trade relations with other countries. He was, however, an able manager and during his period GAS grew into one of the largest industrial companies in Finland.⁷ Gösta Serlachius also had a great interest in fine art and succeeded in building up a sizeable art collection. His former home, Joenniemi Manor in Mänttä, is today a very fine art museum. He was interested in architecture and took an active interest in all construction projects in the firm, from both a technical and an architectural point of view. Beside a genuine interest in fine art, his interest in beautifying the company played a significant part in the creation of an image of a benevolent and good

⁵ He was married to Sigrid Serlachius, daughter of the founder G.A. Serlachius. In 1918 he divorced his Sigrid. Gösta Serlachius’ father, Gabriel Serlachius, was the brother of the founder of GAS, G.A. Serlachius, and managing director of a brewery in Jakobstad in the Ostrobothnia region, while his mother, Aina Schauman, was the sister of another well-known Finnish entrepreneur, Wilhelm Schauman, founder of the saw mill firm Wilh.Schauman Ab.

⁶ Norrmén, Per. *Mänttä bruk* 1929, 179.

⁷ Susanna Fellman, Hur leds ett storföretag? – G. A. Serlachius Ab på 1920- och 30-talet. [The management of big business – G.A. Serlachius in the 1920s and 30s]. *Historisk Tidskrift för Finland*. 2005 Vol. 90 nr. 2.

employer in the local mill community and in the society at large. The heritage of the company, particularly from the era of Gösta Serlachius, is still prominent in Mänttä.

After Gösta Serlachius death in 1942, the company management was taken over by his son R. Erik Serlachius. He was by training an engineer, who had studied both at the Helsinki University of Technology and abroad, but he had also completed business studies abroad. He was as a manager very different from his father. He was first and foremost a professional expert, who for most of his career worked as a technical and production expert. Later he became the plant manager of Mänttä and deputy managing director. He held as managing director a lower profile than his father's, and he was said to be jovial, calm and cautious;⁸ attributes which could not be applied to his father. R Erik took, however, a great interest in municipal affairs. In the 1950s he was vice-chairman of the municipal board. This was crucial for influencing local affairs in Mänttä, when the role of the municipal authorities grew.

A fairly smooth transition: welfare services and health care

In GAS the social welfare and social protection was an issue of special pride, and the companies' initiative in this area also received attention outside the company and in the public press. Gösta Serlachius had visited the US in the early 20th century where he got acquainted with the so called *Safety First*-movement. Safety and security issues became something of a "jewel in the crown" of the welfare work in GAS in the 1920s. In 1927 a head of social affairs, (*huoltopäällikkö, välfärdsinspektör*) Ms Sisko Ania, was appointed. She was one of the first of her kind in a Finnish company and her work consisted primarily to improve the workplace safety, to develop the foremen's managerial skills and establish courses for the workers, particular in relation to safety and security issues. Skill improvement was namely seen as crucial when promoting safety. According to Ms. Ania and her colleagues the right way was to provide the workers with the necessary information of the dangers in their work and also give them the opportunity to make initiative on how to improve both the efficiency and the safety of the production process.⁹ In 1927 so called security committees were established in all the separate production units of the company. The company also had its own company doctor (*bruksläkare*) and a

⁸ *Under örnens vingar Festskrift till Gösta Serlachius konststiftelses 70-årsjubileum*. G.A.Serlachius museets publikationer 1 Mänttä 2003., XX

⁹ Tal Hernan Mäklin 1927. Huolto-osaston arkisto. 3659. GAS archive Elka.

nurse who worked in the company's small health care centre for taking care of injuries and illnesses among the workers.

Serlachius had a genuine concern for his 'own' employees – provided they were loyal and did not participate in any revolutionary activities – but he was no philanthropist. He was a clever manager who always put his company's interest first and in line with the ideologies of the time, he realised that this safety work would increase the efficiency and productivity in the company. The goal with the social activities was also to gain better control of the loyalty of the employees. In Mänttä this was often explicitly stressed when the welfare work was discussed: “... *så att en noggrannare kontroll över de anställdas tillförlitlighet blevo möjlig.*”¹⁰ Gösta Serlachius established a strict control of his worker and immediately interfered in everything that could be seen as socialism or threatening the social order.

The safety work and the health care centre were of course aimed to improve the welfare of the employees and their families, but the company was also involved in developing social welfare and health care services which were of use to the whole local society. This welfare and health care is especially interesting from our perspective, as here the role of the municipality was also significant.

In August 1920 a formally independent, non-profit association, the so called *Säde Yhdistys* (in English: *the Sunbeam Society*), was established by a group of very active ladies. Although formally independent, it was closely linked to GAS and to Gösta Serlachius himself. The chairperson of the Society was the (second) wife of Gösta Serlachius, Ruth Serlachius, who led the society for many years jointly with a welfare committee consisting of some wives' of key white-collar employees and some single, middle-class and professional women. While Ania's work was directly related to the workers in the company, Säde's activities were directed to families in the municipality of Mänttä. Although the society raised some money by arranging various social gatherings, sewing circles and fund raising campaigns, the lion share of its funds were donations from the company. The society must be seen as an extension of the company. Säde was also of great pride for the owners of GAS and used for image building, and its archive is still in GAS' most treasured archive material, which is still situated in Mänttä.

¹⁰ Betr. det sociala arbetet på Kangas. Memo. 20.1.1939. A. Diesen.

Säde's activities were particularly focussed on child and prenatal care, and on health services to mothers with small children. Also the fostering of the youngsters, especially orphans and children to single mothers, was considered particularly important. Moreover, the Society organised also educational and pedagogical activities in the form of summer camps, day-care services and cooking and house-keeping courses for young girls.

The first more extensive project of Säde was to found and maintain a children's home/orphanage (*lastenkoti, barnhem*). This was at the start financed mainly by GAS donations to Säde. The main project, and the project which Säde became most famous for, was, however, a maternity hospital which was established in 1922. Again the role of the company was considerable: GAS' rented a small house to Säde for the maternity ward, and donated every year a considerable sum of money for employing a mid-wife and other necessary personnel, that is an assisting nurse, a cleaner and a housekeeper. The *Säde Yhdistys* mainly raised money for equipping the ward with furniture, linen etc.¹¹

The municipality of Mänttä was, however, from the start involved in this maternity hospital and in practice the activity was a co-operation between the Säde, GAS, and the municipality of Mänttä. In 1920 a decree had been given by the National Board of Health (*Läkintöhallitus, Medicinalstyrelsen*) compelling all municipalities to have a community mid-wife and a maternity ward. At the same time Säde Yhdistys approached the municipal council with a petition for some funding and a suggestion for cooperation. In 1922 the Mänttä municipal council decided that Mänttä would cooperate with Säde in the up-keeping of a ward.¹² During the early years, the main funding for the maternity hospital were the yearly donations from GAS, but support from the municipality was received on a yearly basis, while the municipality covered in principle the cost of the mid-wife's salary.¹³ Also state support was granted on a couple of occasions, particularly when starting up and extending the activity.

¹¹ Säde-yhdistyksen vuosikertomus vuodelta 1920. Säde 1920–1924 kotelo 1. GAS archive. G A Serlachius museum Mänttä.

¹² Pöytäkirja, tehty Mäntä kunnan kunnanvaltuuston kokouksessa Kunnantalossa joulukuun 27. päivänä 1922. Säde-yhdistys kotelo 1. GAS archive G A Serlachius museum Mänttä

¹³ Säde Ry historiikki 1920–1970, osa I, p. 4; Pöytäkirja, tehty Mäntä kunnan kunnanvaltuuston kokouksessa Kunnantalossa joulukuun 17. p:nä 1923; Pöytäkirja, tehty Mäntä kunnan kunnanvaltuuston kokouksessa Kunnantalossa tammikuun 9. päivänä 1924. Säde-yhdistys Kotelo 1. GAS archive, Mänttä

The funding and other arrangements were settled by a formal agreement between the municipal authorities of Mänttä and Säde. The first mid-wife had been employed by Säde, and the employment contract was done with the society, but at the same time she also worked as the municipal mid-wife. Thus, the requirements put on the municipality were in this way fulfilled. The municipal doctor was the doctor in charge of the activity, and he had to control and to inspect it from the medical perspective. This was a requirement for the medical authorities. But the head of the maternity hospital was the mid-wife and, thus, Säde had the administrative control of the ward, something Gösta Serlachius found extremely important (see also below).

The first small problem to occur in the co-operation was that the municipal authorities fairly soon realised that this was a good affair for GAS. As a result the authorities demanded re-negotiation of some of the details in the agreements.¹⁴ However, the municipality could also see the benefits from the activity. The costs of keeping up these kinds of services alone would be too big for the municipality. Thus to come to terms did not turn out to be a big obstacle during the 1920s. And in 1925 the co-operation in health care developed further, when also a municipal doctor, who was jointly financed by Mänttä municipal, GAS and Säde, was appointed.¹⁵

The activity of the ward was by no means small: according to statistics the ward took care of on average 70 patients and some 60 births per year in the 1920s. In the 1930s the ward already could record over 100 births per year.

The first real crises between the Mänttä municipality and *Säde Yhdistys* in relation to the joint up-keeping of the maternity hospital occurred in 1930. G.A. Serlachius then claimed, in a formal letter to Säde, that the company needed the building which they had put at Säde's disposal and the land around it for its own use. The company expanded rapidly in the 1930s.¹⁶ The original building had also been small and was situated close to the factory buildings and had become outdated. Säde turned first to the local authorities with a request for a new building, but the municipal council responded negatively to the request, claiming they did not have a suitable one. However, they stressed their willingness to continue the co-operation and to increase

¹⁴ Mönkkönen, M., *Mäntän historia 1860–1947. Vanha Ruoveden historia II*:8, 1992, 253.

¹⁵ GAS selected the doctor, Sten von Troil, who as a Swedish-speaker, and friend of Serlachius from the Civil War. This did not please every one of the municipal council, but he was accepted. Mönkkönen 1992, 253.

¹⁶ Fellman 2007.

the financial support for the maternity ward.¹⁷ Säde found, however, a new house on with the aid of GAS, which the society rented and renovated.

When this issue was settled, Säde sent a new petition to the municipality claiming they had inadequate funding for keeping up the ward.¹⁸ It is difficult to judge from the available sources, if the company's funding had started to decline already at this time and if GAS even wanted to start to withdraw from the activity, or whether it the reason for the financial difficulties was that the activity expanded so rapidly that GAS' donations and the municipal financial support were not enough. Säde did not, however, receive any responses from the municipality. A few months later they renewed this petition. This time some advances and the municipality agreed to increase its funding considerably and in 1931 a new agreement was signed, according to which the municipality took over more of the expenses, but at the same time the agreement was to be renewed every year.¹⁹

Apart from the financial difficulties, one reason for the problems to decide how to develop the activity had most likely to do with the changing requirements concerning municipal health care. In 1929 the government had put up a committee to ponder on the new nation-wide health administration reorganisation with plans for developing municipal hospitals. Mänttä municipal authorities sent to GAS a letter in relation to this, in which they proposed a hospital in which also GAS would be involved.²⁰ Gösta Serlachius' reply was cautiously positive. While waiting for a new municipal hospital, the extended maternity hospital could, however, start in 1932. Also National Board of Health accepted it as fitted for the task, but required a doctor to be in charge of it. And the municipal doctor – although selected by GAS - Sten von Troil was appointed the head of it.²¹

Gradually, the municipality took over a larger share of the funding of the ward and since 1932 the mid-wife was also employed by the municipality, although Säde had a saying in the recruitment process. As the actual maternity hospital (i.e. the births) became more a municipal affair, Säde began to concentrate on providing prenatal and child welfare services in connection to the maternity hospital, an activity

¹⁷ Pöytäkirjaote. Mäntän kunnanvaltuuston kokouksesta 27 päivänä joulukuuta 1929. Säde kotelo I

¹⁸ Mäntän Kunnanvaltuustolle. Mänttä huhtikuun 18 päivänä 1930. Säde kotelo I

¹⁹ Mäntän Kunnanvaltuustolle. marraskuun 7 päivänä 1930. Säde kotelo I Pöytäkirjaote Mäntän Kunnanvaltuuston kokouksesta 17 päivänä kesäkuuta 1931. Säde kotelo I.

²⁰ Kirje Mäntän kunta – GAS. 30.10.1929. Säde kotelo I

²¹ Lääkintöhallituksen päätös 13 päivänä helmikuuta 1932. Lääkintöneuvos Herman Lavonius. Säde kotelo I

which was seen as pioneering in many respects. The Society also received state grants and contributions from the municipality for this activity, provided that the mid-wife regularly met the pregnant mothers, and the doctor made thorough medical investigation once during the pregnancy.²² In 1937 the authorities put again new requirements on the maternity hospitals and children and prenatal clinics. After that, the activity became primarily an affair for the municipality.²³ GAS gradually decreased the financing of this activity, but contributed still some funding during the war. In 1949 the whole activity was taken over by the municipality. According to the unpublished history of the *Säde Yhdistys*, the reason was that the new labour legislation demanded that there was three-shift work in the maternity ward, something which raised the costs considerably.²⁴ However, it appears that the company's outlook and interest in the activity also decreased, although both *Säde Yhdistys* (and G.A.Serlachius) still wanted to contribute to child care and, thus, they continued to fund the child welfare clinic.

In the post-war decades *Säde* focused instead on new activities, primarily a day-care centre for working mothers, but also summer camps for children and the children's home. The municipality also actively promoted these activities and supported these services financially. The day-care centre was more directly in the interest of the company, but it was also considered important for advancing the welfare in Mänttä municipality. As the history of *Säde Yhdistys* put it: "the day-care centre was an important step in the building of the 'social sphere' in Mänttä."²⁵

The activities of *Säde* became also more focused on leisure activities, of which one of the most well-known was the local cinema, also by the name 'Säde.' The cinema was at first established to raise funding for the social welfare services. Since the 1960s and 70s it became part of the leisure activities in general provided by *Säde*. Charity work in the form of occasional help for poorer families, did, however, continue to be part of *Säde*'s activity also in the 1960s and 70s.

Gösta Serlachius and the welfare program

Gösta Serlachius took a personal interest in the activities of *Säde*. Apart from the model from the US, Gösta Serlachius had got acquainted with welfare models in

²² Päätös Lääkintöhallitus Mäntän kunnalle 28 huhtikuuta 1936, Diarinumero 1649.1936. *Säde* kotelo I

²³ Pöytäkirjaote, 10 marraskuuta 1937 Mäntän kunnanvaltuusto. *Säde* kotelo I

²⁴ *Säde Ry* historiikki 1920–1970, osa II, p. 3.

²⁵ *Säde Ry* historiikki 1920–1970, osa II, p.XX:

various countries. For example, he showed a great interest in the French company *Société Michelin*'s elaborate welfare program, introduced in 1916.²⁶ This program especially focused on maternity and child care and was introduced in relation to the strong pronatalism movement in France.²⁷ The whole Michelin program was translated into the Swedish language for Gösta Serlachius in the early 1920s. Some of the concrete activities within the *Säde Yhdistys* greatly resembled those of the *Société Michelin*, but similar models for workers' housing and the idea of savings accounts kept by the company for their employees can be found in many countries. The secretary of Säde, Helmi Särkkä was also for example awarded a travel grant to visit orphanages and children's homes in Sweden and elsewhere in Finland.²⁸ The influence of the Michelin Company is difficult to draw, but the program was studied in detail by Gösta Serlachius.

Serlachius was also especially interested in 'the fostering task', which he saw as an extremely important aspect within all the activities of Säde. This was in line with the paternal tradition, but had to do with his worries about revolutionary activities. He always stressed the importance of teaching the right values and (non-socialist) ideologies. In the children's home (*lastenkoti, barnhem*), the young girls were also to learn domestic abilities and child care, to become good future nurses, nannies and mothers. This was important as these girls were to be the raisers of the following generations. One of the primary goals of the activity of Säde was to educate a new generation of hard working people, with high moral standards and abilities to make a living – in fields which were considered as suitable for the workers' children. This was also the case when a day-care centre for children of working mothers was discussed in 1937. In this project Gösta Serlachius engaged himself personally.²⁹ He considered the establishing of a day-care centre for working mothers, combined with "a summer home for weak and unhealthy children" as a very good idea. In the children's' home and in the summer camps the ideological fostering was important.

²⁶ Socété Michelin & Co C:cie. Introduktionsbrev till Amerika 1926. Gösta Serlachius' archive. Gösta Serlachius art museum. Mänttä.

²⁷ Add Source!!!

²⁸ Matkahavaintoja Ruotsista lastenkotialalla. Matkakertomus. 25.2.1937. Säde kotelo II. GAS archive.G A Serlachius museum Mänttä.

²⁹ Serlachius showed a significant interest in maternity and child protection, so much that it sometimes took amusing expressions. In 1931 he initiated a competition among those born 1932 and 1935. Prizes would be awarded in 1934 and in 1935 respectively. The criteria for success in the competition would be the health of the children and of their mother and also the cleanliness and care of the home. This could also indicate that at least the spirit of the Michelin welfare program.

The day-care centre would obviously be beneficial for the female workers of his company – and thus for GAS as well – but he considered that it would have an important pedagogical task as well.

Gösta Serlachius always wanted to have full control in every task he undertook and he was concerned about GAS' and Säde's influence in the administration of these joint projects. This can be one explanation for GAS (i.e. him) losing interest in the maternity hospital when the municipality gradually took over more of the activity. When the municipal hospital was on the agenda, Gösta Serlachius suggested that the hospital would be led by the company's own doctor, so that the company would have more sayings in the administration.³⁰ The administration of the children's home was also a most urging issue for him. He stressed that it needed a board and, furthermore, statutes which gave this board a strong position, as otherwise the home would be as he put it "prone to political parties' rulings". Moreover, he was afraid that Mänttä municipality would "evade their responsibilities for the poorer and less fortunate children of the municipality".³¹ I.e. these children would either not be cared for or then the costs would be incurred on GAS.

A symbiosis with clashes: town planning and infrastructure

Another issue of importance for Gösta Serlachius and which also heavily influenced the company's relationship with Mänttä municipality was town planning and the development of the built environment. This was nothing exceptional as such: companies were often significant landowners in the area and the owners wanted to advance the interests of their company. GAS was by far the biggest land owner in Mänttä.³² Moreover, the law only gave the planning monopoly to the municipal authorities in the 1930s and 40s.³³ Gösta Serlachius had, however, a particular interest in town planning due to his interest in art and architecture. He wanted to 'beautify' the society.³⁴ In his famous speech on the topic 'The industry and the arts', often quoted

³⁰ Brev Sten von Troil–Gösta Serlachius 14 november 1929. GAS Hallinto 17.

³¹ Kirje Ruth Serlachius–Helmi Särkkä (secretary of Säde) 11.3.1937 and PM angående tilltänkt barnhem i Mänttä av Gösta Serlachius. Säde kotelo II.

³² In 1920s, the company owned 47 000 and in 1937 in total 58 000 hectares of land in the Mänttä area. Statistik över av Firman G. A. Serlachius (Aktiebolag) inköpta och försålda jordområden 1881–1937. GAS hallinto kotelo 17. GAS Museum Mänttä.

³³ See Salmela 2004; Björkman, Johanna, Architects realizing Gösta Serlachius' visions. In Kervanto Nevanlinna (ed.) 2007; *Under örnens vingar* 2003.

³⁴ Brev till Agronom Kjälldström, Forstmästare Anttilainen & Butzow och andra av saken intresserade. 23.7.1924. Viktiga brev. Gösta Serlachius' private archive. Gösta Serlachius' art museum. Mänttä

by art historians, he stressed how important it was for the owners of big business to set a good example in the local society by paying attention to the aesthetic aspects in their own buildings. Town planning was important to achieve this goal: “a town plan was the basic prerequisite for a beautiful and uplifting built environment.”³⁵ The view on the need for town planning was, moreover, part of the modernising and rationalising of the society and of creating the ideal society, a concept which was even used by the company.³⁶ Serlachius employed leading architects in Finland, like the brothers Valter and Ivar Thomé, the brothers Bertel and Valter Jung, W.G. Palmqvist and Jarl Ekelund. The Thomé brothers were perhaps the leading architects for industrial buildings in the early 20th century, but unfortunately both were killed by the “red side” during the civil war in 1918.

Mänttä was as a result one of the first of these types of mill communities to have a proper town plan.³⁷ Already in 1906 Gösta Serlachius as newly appointed managing director, had brought forward the idea that Mänttä was to have a full town plan. And, as usual, he considered that only the best architects were good enough. He initiated Valter Thomé to draw a first town plan. This plan only covered the areas close to the plant and where the first housing areas situated, the so called Station corner (*Asemankulma*). The work was also interrupted when Gösta Serlachius took over the management in Kymmene Ab, the rapid expansion of the GAS Company during WWI and the killing of the Thomé brothers in 1918.

However, the issue developed again in the early 1920s. As the legislation concerning town planning did not until the 1930s (towns) and 40s (rural municipalities) give the planning monopoly to the municipal authorities. Although the municipal council was to accept the town plan, the biggest landowners could develop the local communities much as they liked. Even better, Mänttä was separated from the larger rural municipal of Vilppula into an independent rural municipality in 1922.³⁸ This made Serlachius having an even greater influence on the municipal affairs. He began after the war to search for a new architect, and assigned the famous and also

³⁵ 'Industrin och konsten.' 28 november 1935. Promemorior. Gösta Serlachius' private archive. Gösta Serlachius' art museum Joenniemi. Mänttä.

³⁶ When planning areas for small housing for workers close to one of the lakes in the district. In this area there was no need to drain and as there was abundance of fertile soil for small gardens, “an ideal society could be built”. Stadsplanerings- och dräneringsfrågor.

³⁷ Björkman 2007.

³⁸ Mönkkönen 1992, 140. . The initiative has been claimed to have come from GAS, although it was formally done by some members of the Vilppula municipal council.

internationally renowned architect Eliel Saarinen. This time the architects came up with a full town plan. The plan has been attributed to Saarinen, but he did not have much time for it so in practice the final plan was drawn up by Palmqvist.³⁹ This plan was important as it allowed for Mänttä to grow significantly and extensive new housing areas were drawn up. This plan was also the basis for the Mänttä of today.⁴⁰

The passing of the plan did not, however, go without some obstruction. As mentioned, the legislation gave the municipality council the right to accept or decline the plan and when the plan was presented to the council, it was delayed. Some parts of it did not please the council members. With small adjustment it was, however, accepted at the following meeting unanimously. How this rapid change in opinion came about is an interesting question. However, the issue was problematic for the biggest group in the council, the Social democrats, which had a lot to explain in the public press.⁴¹

Thanks to Serlachius, Mänttä was planned by the leading Finnish architects of the time, but as usual he also had his own ideas how the society and the built environment were to be developed and he interfered in the work himself. Moreover, he did not mind much about the opinion of the local authorities or politicians. In 1924 he initiated a *grand plan* to construct a recreation area with footpaths for his employees and the local inhabitants to enjoy in their free time. It was to be some kind of artificial rural area to which he would move old buildings, decorative objects like an old well, an old gate and some boats to be put in a small pond. This would form a healthy and uplifting environment for the workers, create a positive image of the company and make the public interested in the company.⁴² He assigned one of his employees to look for a suitable land area close to Mänttä for this purpose. This grand plan did not realise, but paths and a pavilion for recreations was built, and in the winter there was a skiing track.⁴³ The ability to develop the municipal centre much as he liked, is well illuminated by his handwritten note to this plan: “perhaps the

³⁹ Björkman 2007.

⁴⁰ Mönkkönen 1992, 96.

⁴¹ Mönkkönen, 1992, 158.

⁴² Brev till Agronom Kjälström, Forstmästare Anttilainen & Butzow och andra av saken intresserade. 23.7.1924. Viktiga brev. Gösta Serlachius' private archive. Gösta Serlachius' art museum. Joenniemi Mänttä

⁴³ *Under örnens vingar* 2003, 117

municipal authorities of Mänttä ought to be notified of the idea”.⁴⁴ As a rule he did not send his own or the company’s plans for new buildings or factory extensions to the municipal authorities for acceptance, but at the same time he demanded that the employees building on the rented plots were accepted by the company to every minute detail.⁴⁵

In the inter-war period the private companies’ possibilities to influence town planning gradually started to change. In the late 1920s a committee working on a legislation concerning town planning had been appointed and a Town Planning Act was passed in 1931 and coming into force in 1932. Since then town planning was an task of the municipal authorities in bigger cities and towns. As a result, it did not concern Mänttä at this time, but probably made Serlachius aware of the developments.. In 1936, he assembled an executive meeting to discuss and draw up the main ideas for the building of Mänttä municipality. One of the issues on the agenda was the existing town plan, “which had been outdated”. Serlachius wanted for example the area between the head office and the church (which as everything else of importance in Mänttä had been built by the company to its sixtieth birthday in 1928) to be developed.⁴⁶ The area was important for the company as the factory area was situated in the municipal centre. The company carried through a big extension project in the Mänttä plant at this time.⁴⁷ This was probably the primary reason for the need for some revisions of the town plan, but probably the legislative reform, although not yet concerning Mänttä as a rural municipality, made Serlachius concerned about GAS’ future influence in the developments. If – or rather when – the town planning became a municipal affair; it could be assumed that especially the centre of Mänttä would be something the local politicians and municipal authorities wanted to influence. Gösta Serlachius had, probably for the same reason, obstructed a plan to make Mänttä into a so called market town (*kauppala, köping*) in the 1930s. Such a reform would have decreased his influence in municipal affairs.⁴⁸ Mänttä became administratively a so called market town in 1947.

⁴⁴ Brev till Agronom Kjaldström, Forstmästare Anttilainen & Butzow och andra av saken intresserade. 23.7.1924. Viktiga brev. Gösta Serlachius’ private archive. Gösta Serlachius’ art museum. Joenniemi Mänttä

⁴⁵ Mönkkönen 1992, 166.

⁴⁶ Protokoll fört vid möte i Mänttä den 30 november 1936; Protokoll fört vid möte i Mänttä den 12 oktober 1937. Muistiot, matkakertomukset 5428. GAS archive. Elka.

⁴⁷ Fellman 2007.

⁴⁸ There had been initiative to apply to become such a market town already in the 1930s, but the plans had been blocked by Gösta Serlachius. *Under örnens vingar* 2003, 65.

In 1940, Gösta Serlachius asked the architect and town planner Heimo Kautonen to develop a new town plan (a general master plan covering the whole area). The legislation did not yet require the municipality to be involved, but the authorities had grown more active in the town planning issues. According to M. Mönkkönen who has written the history of Mänttä municipality, this did not cause any bigger conflicts, especially as the company's head of social affairs Ilkka Laurila was extremely good at creating good company–municipal relations. New, more diplomatic ways of dealing with the authorities were apparently needed. In 1944, when Gösta Serlachius had already died, Mänttä and GAS submitted jointly a suggestion for a new a plan to the County Administrative Board (*Lääninhallitus, Länsstyrelsen*).⁴⁹

New strategies for influencing municipal affairs

When the planning monopoly became a municipality affair in the post-war period, GAS' role in town planning changed. Also in general the power of the authorities and the politically elected council grew in local affairs. However, the GAS company could still had influence many issues in local society, but this required new actions and strategies. First, one important strategy was that R. Erik Serlachius took an active interest in local politics, and he was for several years vice-chair of the municipal executive board (*kunnanhallitus, kommunstyrelsen*). The chairman came, as a rule, from the Social Democratic Party which was by far the biggest party in this industrial municipality. This was a sensitive power balance, but can be assumed to also have helped to bridge over the non-socialist-socialist divide in community affairs. On the other hand, the divide had never been very harsh. For the local workers, it was evident that without GAS, the employment opportunities would be scarce, and the GAS owners had been able to notice that the social democrats were not revolutionary. The co-operation between the social democrats and the non-socialist groups had gone fairly well since the 1920s. The head of the social affairs in GAS Ilkka Laurila was, as mentioned, particularly able to establish good relations with the municipal authorities.⁵⁰ On a broader level, this also shows the transformation in the post-war period, when the 'consensus'-era gradually evolved.

⁴⁹ Mönkkönen 1992, 172.

⁵⁰ Mönkkönen 1992, 235.

Another measure in GAS was to establish a new department taking care of local affairs in 1948: a department for local affairs. The existing social department and the building department⁵¹, were transferred to this department, and the head of the new department became the former head of the social department, Ilkka Laurila. The task of the department was to deal with town planning, the use of land areas, parcels to employees, workers' housing and in general to keep up and develop the contacts with the municipal authorities and represent GAS in "less important gatherings and happenings". Moreover, the department was to follow of labour legislation and social issues and be in contact with all other of GAS' departments in relevant issues.⁵² The activity of this department and the role of Laurila were significant, and has to be studied further.

Immediately after WWII an additional issue put heavy strains on both the local municipalities and private landowners, namely the settling of the refugees from the land areas surrendered to the Soviet Union. For this purpose, municipalities and private land-owners were compelled to give up considerable land areas. This question, however, seems to have actually helped to develop the company-municipal relations in Mänttä.

GAS' top management became active in this issue and discussed with the municipal authorities how certain of their land areas could be protected from expropriation for this purpose. The company donated parcels to veterans, who had been employed by the company upon their return from the war, but to give up land for those to be resettled from Karelia, the company owners had little interest. GAS seems to have been happy to let up land for 'their' workers, but not for 'outsiders'. The company's trusted architect, Heino Kautonen, who had been involved in developing the joint town plan, was first in contact with the municipal authorities and then with the Ministry for Interior. He received the information that for example in case an area was planned for park or preservation areas the expropriation of the area for settlement purposes could be avoided. Kautonen had also been advised that the procedures of natural preservation areas could be made so complex, that the issue would not be settled before the urgent settlement issues had to be concluded. And even better from

⁵¹ This department was responsible for all building projects, which did not concern the production units.

⁵² G.A.Serlachius Oy:n Mäntän tehtaiden osastopäälliköille. R.Erik Serlachius. 15.10.1948. Organisation "kontroll" 4506. B. Vitzthum, diverse. GAS archive Elka.

GAS' perspective, the process of preservation could later also be stopped.⁵³ In this issue Mänttä authorities and GAS could to some extent join forces, as GAS got support in the process from the municipality, but this is also an issue which has to be studied further.. In the end GAS did have to give up some land for the refugees, but the biggest share of the land for these groups was from municipal land areas.⁵⁴

Furthermore, in connection to this process, the local municipality and GAS could also come to agreement about the sharing of costs for the planning services. Since the planning had become a monopoly of the authorities, the costs for planning, possible exception orders and building permits, fell on the landowner's lot. In case of planning areas outside the existing town plan, the municipality and GAS agreed on sharing the cost.⁵⁵ Some significant land areas were to be planned for new housing areas for GAS' employees and GAS opposed the heavy costs. In 1952 the Ministry of Interior affairs ratified the planning.⁵⁶ The costs were, as agreed, divided in half. Although the sources show that the municipality to a great extent gave in to the company's demands on sharing the costs, this new plan was both in the interest of the municipality: new inhabitants, i.e. taxpayers, could move in.

A source for conflicts: cost and compensation for infrastructure

Not surprisingly, also the early infrastructure had originally been provided by GAS. As Mänttä society was built up around the company, everything from energy and water supply, the railway (connecting Mänttä to the main line which went through Vilppula), to the street light and telephone lines, had been constructed by the company. Good communications and energy supply were obviously vital for the company, but as these services 'spilled over' on the whole local society, it also affected positively to the development of the whole society. In some cases it also actually relieved the strain on the municipality to provide the services. As a result the authorities agreed in some cases, as in the case of the maternity ward, to share some of the costs or to pay for the use of the services. Sometimes the municipality and GAS jointly established some new services. This was for example the case in sewage and water pipelines to the worker's housing areas. In 1937 when the company planned

⁵³ Mäntän taajaväkisen yhdyskunnan ja G.A. Serlachius Oy:n tekemä ehdotus asemakaavallisiksi järjestelyiksi. Heimo Kautonen 25.12.1944. GAS Hallinto.

⁵⁴ Mönkkönen 1992, 174.

⁵⁵ Pöytäkirja Mäntän kunnanvaltuuston kokouksesta 4 pv. joulukuuta 1945. Pöytäkirjaote. GAS Hallinto.

⁵⁶ Päätös 7299/K. Asemakaavan muutos Mäntän kauppalassa. Heinäkuu 28 p:nä 1952. GAS Hallinto

new worker housing areas, the Mänttä authorities if they would be willing to share the costs of the extension of the municipal plumbing and water system.⁵⁷ GAS also sold some services directly to the inhabitants. This was for example the case of energy. This was of course a good service for the local inhabitants, but also somewhat unreliable. Due to the energy shortage during the war, GAS stopped this ‘service’.⁵⁸

The sharing of the costs between the company and the municipality was occasionally an issue of tension. In some cases these services were a good affair for the company – or at least the municipal authorities thought so – which made the municipality demand re-negotiations. On the other hand, GAS was not always contented either. The charges in the hospital and the patients’ rates for the care in the maternity ward and the hospital were an issue for repeated negotiation. GAS considered that the costs the patients always increased, but the charges the hospital was allowed to take from the patients, together with the subsidies from the municipality, never covered the costs. Especially the charges for non-residents in Mänttä were an issue causing growing irritation in GAS.⁵⁹

The discussions around the costs for Mänttä’s street lighting took somewhat amusing forms. There were in 1948 in all 37 street lamps, for which the municipality paid 1000 mark a year each which, according to the company, was not even enough to cover for the electricity, not to mention the maintenance and repairs. The municipal authorities at the same time suggested that 28 new lamps were to be built, for which they would provide a grant of 250.000 FIM, a sum which GAS representative claimed “was not too disadvantageous for us”. However, the company demanded new negotiations to cover for the electricity and the maintenance costs of the growing number of lamps. The contract with Mänttä was not easily concluded. In July 1948 the head of the department for local affairs in GAS again lifted up the problems in coming to an agreement. Moreover, however, well his relations to the municipal he had, it the negotiations were fruitless as the “representatives of the municipality showed clear that they wanted to talk to you [i.e. to R. Erik Serlachius].”⁶⁰ As a result, the city lights were literally turned off and stayed so for about half a year.⁶¹ At the same time also the fire brigade contract was to be renewed. Here especially the

⁵⁷ Protokoll fört vid möte i Mänttä den 12 oktober 1937.

⁵⁸ Mönkkönen 1992, 184. The supply of energy was really one of the “Achilles heels of the pulp and paper industry before WWII.

⁵⁹ Add source.

⁶⁰ PM beträffande kontrakten med köpingen. Mänttä den 14 juli 1948.

⁶¹ *Under örnens vingar* 2003, XX

clearing the roads from snow was the case for concern: the company was in charge of all snow clearing and snow removal, but felt that the municipality did not pay enough to cover the costs.⁶²

Since the interwar the municipality took over more of the infrastructure and the services. Sometimes, like in the case of the railway tracks, the state came in as a third party. The management in GAS was in general positively towards the municipal or the state taking over. The small railway which GAS had been built already during G.A. Serlachius' period, had been a narrow one-track railway and this was in the 1920s in poor condition and not optimal with respect to the growing company. In the late 1920s the state railway company built a new line from Vilppula to Mänttä. This benefitted GAS. The transportation became much faster, and allowed for heavier loads. At the same time it decreased the role of – and the costs – of the traffic department radically.⁶³ In Kangas, one of the subsidiaries of GAS, which was situated close to the city of Jyväskylä, the railway line and the land on which it was built, was owned by the state. However, some side tracks, as well as the freight yards and some of the buildings and warehouses, were owned by GAS. Although it would inevitable increase the costs for transportation, the company calculated that it would in the long-run be cheaper to hand over their own lines and pay higher fees. Having their own railways would mean higher maintenance and reparation costs would be very high.⁶⁴ Also the expropriation of the land, when e.g. the streets and railways became state or municipal affairs led to disagreements. According to GAS representatives, the price was too low and the municipal authorities took 'too much' land. Whatever the case was, it is also most likely that the municipal authorities gradually grew fairly tired of these on-going negotiations and re-negotiations.

The management in GAS did not, however, always trust the authorities, and especially not the state.. After WWII, the state railway company was planning a new line from Mänttä to Jämsä. The company management felt they had been – if not really taken in – at least neglected when the new tracks were to be constructed. According to the company's chief engineer Warner Silfversparre, GAS had all the time assumed that the tracks would be extended in a certain direction, which would be an excellent solution as the area around the station and the new line would have

⁶² PM angående kontrakten med köpingen. 11 februari 1948. GAS Hallinto, kotelokort 17. GAS archive G.A.Serlachius' museum, Mänttä.

⁶³ Mönkkönen 1992, 185.

⁶⁴ P.M. Beträffande Statens spår "Lohikoski växel". Allmänna 1926-1937. 4715 GAS archive Elka.

been perfect for reloading. But the plans presented indicated that the area between the new and the old line would be too narrow for this. The company would have to build a new freight yard.⁶⁵ It was probably easier to get their voice heard in the municipality than towards the state.

Concluding remarks

As from above can be seen, there was a gradual transition where the public sector, in this case primarily the municipality took over more and more of the services the infrastructure. In some cases it went fairly smoothly, in other situations it was not so easy to come to agreements. In some cases the co-operation had been to an advantage for both parties, sometimes both felt they had been the weaker part. The chief engineer Silfversparre wrote at one occasion in a – as usual – fairly philosophical memorandum that the main lessons to be taught from the experiences with the cooperation with the state railways and the local municipal authorities was that the question of cooperation should be discussed first to avoid future conflicts.⁶⁶

In spite of tensions, and occasional conflicts, the real clashes between the company and the municipality seem to have occurred only in the 1960s and 1970s and this was partly within new areas, namely preservation issues and, even more, so in environmental issues. The paper and pulp industry was a particularly polluting industry. In the late 19th and early 20th century it was not necessarily something the company owners knew much about, indicated for example by the habit of building top employees' houses close to the factories. In the late 1950s GAS was for instance involved in court procedures against Mänttä municipality concerning their waste water, and its negative environmental effects. The company did not see that their spill water had had any negative effects. On the contrary, the management in GAS withheld an idea throughout the court procedure, supported by a technical report by Warner Silfversparre and some biological experts, that their spill water actually was good for the water ways. It made it more eutrophic but that was just a positive development.⁶⁷

The little interest in preservation of the built environment is in fact interesting in the case of GAS. Suddenly the company, which had been particular about the

⁶⁵ 'Järnvägen och samhället.' W. Silfversparre, diverse utlåtanden 1922-1946. 5023 GAS archive Elka.

⁶⁶ 'Järnvägen och samhället.' W. Silfversparre, diverse utlåtanden 1922-1946. 5023 GAS archive Elka.

⁶⁷ Avfallsvattensfrågan. GAS hallinto. GAS archive. G.A. Serlachius museum. Mänttä.

creation of a harmonious environment and very concerned about the positive image of itself, was little interested in preservation of its heritage.

The 1960s and 70s was a period of the breaking up of the old paternal society, and a period when the company withdrawing from the local society. The need to keep up the image of a beneficial employer decreased. At the same time the interest in local society also slackened, to the extent that important values previously cherished became unfashionable. A revival of the social and environmental responsibility and an interest in preserving the heritage has occurred during the last decades. This also shows how the line between what is seen as belonging to the sphere of the company and of the public sector has not been unchanging, but embedded in the historical, economic and institutional setting. Moreover, the line was not sharp, but the responsibilities of the company and of the public sector were also to some extent situated on a sliding scale, where some kind of balance could be reached.

The tensions and conflicts appear also to have varied according to area. Welfare services constituted a field where the division of tasks between the company and the local municipality and the gradual transition from the private to the public seems to have been fairly smooth. One reason for this might be that the welfare services to a little extent affected the company's business activities. Welfare and educational services were in the early period a necessity, in order to have a healthy and reasonably skilled labour force and it was to some extent also good for the company image, but in the end it was probably not very problematic for the owners if somebody else took over the task, especially if the company could not control the activity any longer.

The fairly smooth transition can also have originated in the fact that many social political reforms were dealt with on national level. As the company and the municipalities could not influence and affect the framework for the reforms, these issues did not create tension between local politicians and the individual company owners. The legislation and the social political reforms concluded between labour market parties could not be influenced.

Finally, we have to remember that this was very much a special case. It was not only in company towns, where the influence of big business on town planning and service provision was present. Also in industrial cities, big business put a heavy mark on the built environment, but it can be assumed that there were significant differences between the small company towns and big cities with respect to the influence from the

individual companies. In the bigger cities, the relations were probably more multi-faceted and the single company had fewer possibilities to influence, as there were competing forces when it came to town planning and private initiatives and activities. In Kangas and TAKO, two of GAS' subsidiaries situated in bigger industrial centres (Jyväskylä and Tampere respectively) the social program was important, but less so than in Mänttä and they did not aim to become any sort of 'models' for social welfare services. The plant manager in TAKO, F.O. Sohlberg, stated that the social activities was of particularly important for removing social tensions and that he was a warm friend of such activities, but that the situation was very different in Tampere than in Mänttä. In a big city the possibilities were much more limited than in the countryside.⁶⁸

Sisko Ania stated in a report on the housing and social services in Finland, that paper mills situated closer to urban areas had to a lesser extent their own housing programs. This was the case also in GAS own subsidiary Kangas.⁶⁹ The same argument was stressed by the plant manager in Kangas mill, who in a report in 1939 stated that he had been employed in 1933 to raise a core of loyal workers. In this work the welfare work was a significant tool. However, the work to achieve such loyalty was more difficult and also very different from the work in Mänttä, as the city of Jyväskylä and the employees there was so much less dependent on the Kangas mill than Mänttä and its inhabitants was on GAS.⁷⁰

⁶⁸ Yhtymän kuulumisia. Laajennuksia ja korauksella jokaisella tehtaallamme. *Tehdas ja me* 2/1947.

⁶⁹ Selostus naisten koskevista yötyötä koskevasta tutkimusmatkasta. Sisko Anian arkisto. 4812. GAS archive Elka

⁷⁰ Betr. det sociala arbetet på Kangas.