

THE ECONOMIC CLUB

O F W A S H I N G T O N, D. C.

His Excellency Juha Sipilä, Prime Minister of the Republic of Finland, speaks about Finland's Growing Economy and Foreign Policy.

**His Excellency Juha Sipilä
Prime Minister of the Republic of Finland
Monday, November 26, 2018**

DAVID M. RUBENSTEIN: So, as you heard from Arne (Sorenson), we're very privileged to have with us the Prime Minister of Finland.

Thank you very much for coming.

HIS EXCELLENCY PRIME MINISTER JUHA SIPILÄ: Thank you. [Applause.]

MR. RUBENSTEIN: And, see, without even saying anything you already got applause. [Laughter.] Wow, that's pretty good. So, you must be very popular.

So, let me give you his background very briefly. The prime minister is from northern Finland. And he went to school there at Oulu University and got a bachelor's and a master's degree in telecommunications engineering, and spent some years in the telecommunications world, built a number of companies, sold a number of companies. In fact, one year, maybe 20 years ago, his income – which is now reported. In Finland you have to report your income. His income – publicly – was the highest in the entire country. That's pretty impressive.

PRIME MIN. SIPILÄ: Yeah, but it was 20 years ago. [Laughter.]

MR. RUBENSTEIN: Twenty years ago? OK. All right. So, after a big success in the business world, he decided to get into government or politics, whatever you want to call it. And he ran for Parliament and was elected. He also became the head of the Centre Party and became the speaker of the Parliament. And then in May 29 of 2015, became the prime minister. So very impressive. He has – four of his children are living, and he has six grandchildren.

PRIME MIN. SIPILÄ: Yeah. That's right also.

MR. RUBENSTEIN: And he is a pilot, and he's also a wood-maker. [Laughter.] So –

PRIME MIN. SIPILÄ: Mm hmm, what else?

MR. RUBENSTEIN: Well, I'm going to get into that. So, let's start. In recent surveys, it's turned out that of the, let's say, 200 countries on the face of the Earth, the one where the people are the happiest is said to be Finland. So why are people in Finland so happy?

PRIME MIN. SIPILÄ: Yeah. That's true. We are the happiest country in the world. But we are the best nation to hide it also. [Laughter.]

MR. RUBENSTEIN: OK.

PRIME MIN. SIPILÄ: I don't know why. But that's true.

MR. RUBENSTEIN: So, you don't – people don't go around smiling all the time, or you just –

PRIME MIN. SIPILÄ: Yeah. But of course, we have great nature. We have a very clean environment, the cleanest air in the world and so on. Maybe that's the reason we are so –

MR. RUBENSTEIN: I thought you would say it's because the prime minister is so good? You didn't want to say that?

PRIME MIN. SIPILÄ: [Laughs.] Yeah. Maybe here in the states I can say it, but in Finland – [Laughter] –

MR. RUBENSTEIN: You can't say that? OK. So recently, Finland was in the international news for something. The President of the United States recently met with the President of Finland. And I guess it was the commemoration of the World War I celebration. And there, President Trump said that he was told by the President of Finland that you don't have forest fires because you do a lot of raking. Is that true? Or what can you tell us about that?

PRIME MIN. SIPILÄ: Yeah. First of all, our condolences for the victims of the forest fires. This is partly true. We are thinning our forest time to time. And it's a carefully planned process to get the maximum out of our forest. So, we are thinning it every 10 years. And that's a reason. But there's a lot of other reasons also, because we are evaluating our forest by tranche and making it [inaudible] to it. And we will plan so that there is no people's residences close to the forest areas. So, we cut the trees. And also, as a pilot, I can say that there is a very unique system in Finland. Private pilots are forced to – if they notice that there is smoke somewhere, you have to go and look out if there is a small beginning of the – of the forest fire and report it to the air traffic controller.

MR. RUBENSTEIN: I see. So, 70 percent or more of your country is covered in trees, is that right? You have a lot of trees.

PRIME MIN. SIPILÄ: That's true. That's true.

MR. RUBENSTEIN: And you are planting trees yourself, is that right?

PRIME MIN. SIPILÄ: Yes. Next summer I will plant 400,000 trees.

MR. RUBENSTEIN: Now, the reason you're doing that is you want – you have committed to have – you and your family are going to have a carbon-neutral policy for your family.

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: So, to do that, I guess if you're flying in a private plane, or whatever you're doing, you have a lot of carbon there. So, you're going to negate that by planting 400,000 trees?

PRIME MIN. SIPILÄ: No, no, no. The whole Parliament can have a carbon sink by my plans.

MR. RUBENSTEIN: Oh, the whole Parliament is.

PRIME MIN. SIPILÄ: The whole Parliament, yes. But for private – a private family like mine, we need about 5,000 trees to encompass our carbon.

MR. RUBENSTEIN: How do you plant the trees? You go out and actually do it yourself, or do you have other people help you?

PRIME MIN. SIPILÄ: Maybe 400,000 is too much for one people – or person. [Laughter.] But I will participate. It's fun. To have a hot summer, and mosquitos over you, and at the same time planting trees.

MR. RUBENSTEIN: OK. So, you don't have forest fires as much as we have, let's say in California, because you have a different policy? Is that fairly accurate?

PRIME MIN. SIPILÄ: Yeah. I think so, yeah.

MR. RUBENSTEIN: OK. So, let's talk about the Brexit meeting. You were just at the EU meeting. And the EU approved the proposed agreement between Great Britain and the EU. And you presumably voted for it, because it was unanimous. So, what happens if Great Britain's Parliament does not approve it? Then what's going to happen?

PRIME MIN. SIPILÄ: Yeah. First of all, this is a lose-lose situation for both U.K. and European Union. If they vote against the agreement we have done together, this is the best possible they can – they can do. Maybe there is an option then, but we don't speculate about what happened after the voting. I think that this is the best deal they can – they can have, we can have. And they will vote for –

MR. RUBENSTEIN: OK. Suppose they come back and say, well, we need this, or we need that, we need to change it? What would the EU do?

PRIME MIN. SIPILÄ: If they decided to have a second referendum and they decided to stay, of course, this is what we want. We – anyone in EU wants U.K. to leave. But that's their decision.

MR. RUBENSTEIN: So, the EU agreed to this agreement, but if the Parliament said, we're going to have a second referendum, the EU would be happy with that, I assume?

PRIME MIN. SIPILÄ: Yeah. But it's not –

MR. RUBENSTEIN: Not going to happen?

PRIME MIN. SIPILÄ: Yeah. I think so.

MR. RUBENSTEIN: OK. And what happens if the Parliament votes this down and there is no second referendum. Then what happens?

PRIME MIN. SIPILÄ: Then there will be hard Brexit or exit from the union. And that's the situation we don't like, because we don't have rules how to do it.

MR. RUBENSTEIN: Well, a hundred years ago or so when they had these problems, they actually went to military conflict. You don't see that happening, right?

PRIME MIN. SIPILÄ: Yeah. No, no, no. We are friends. We are friends, yeah.

MR. RUBENSTEIN: OK. That's not going to happen. OK. So, now, next year Finland becomes the head of the EU under its rotation policy. You're going to be the presiding officer of the EU?

PRIME MIN. SIPILÄ: Yes, if I'm a prime minister after our elections in April.

MR. RUBENSTEIN: Oh.

PRIME MIN. SIPILÄ: But of course, I will. [Laughter.] But there is possibility that I am not.

MR. RUBENSTEIN: OK. Well, assume you are, what would you want to do with the EU that hasn't been done? What direction would you want to take it in?

PRIME MIN. SIPILÄ: Of course, this Brexit issue or this new relationship with U.K. is on our table. We have a – [inaudible] – period of seven years on our table. There is also parliamentary elections for the European Union. And so, it will be [a] very challenging chairmanship for Finland.

MR. RUBENSTEIN: Now, Great Britain wants to pull out, or at least some people in Great Britain want to pull out of the EU because they think the EU bureaucracy is so large and all-encompassing in telling them what to do. You're part of the EU. Are you upset with the bureaucracy?

PRIME MIN. SIPILÄ: No. No. Of course, in some small details maybe they are too active, or we are too active as the European Union. But to have the biggest single market in the world, we have 500 million people in the same economical area, and as a country of 5.5 million people, this is – this is something really, we need and want to keep.

MR. RUBENSTEIN: Now earlier, I guess it was yesterday, there was a skirmish between Russian ships and the Ukrainian ships. And I guess the Russian ships have taken over some people from Ukrainian Navy.

PRIME MIN. SIPILÄ: That's true.

MR. RUBENSTEIN: So, Russia's right on your border. So, what is your comment on this? Where do you –

PRIME MIN. SIPILÄ: You have a common border also, I think.

MR. RUBENSTEIN: We do. You can see Russia from actually part of the United States.
[Laughter.]

PRIME MIN. SIPILÄ: Yeah. Yeah, we have a long border. And we have – used to work with the Russians. I think that there is a[n] image that we are afraid of Russians in Finland and Europe.

MR. RUBENSTEIN: And you're not?

PRIME MIN. SIPILÄ: We are not. We have used to live with the Russians as a neighbor. And we are behind all the sanctions and all the policy we have agreed together with the European Union, with you. But at the same time, we have had very good dialogue at the – at the crisis also.

MR. RUBENSTEIN: All right. So, you support the sanctions that the EU has imposed.

PRIME MIN. SIPILÄ: Yes. Yes.

MR. RUBENSTEIN: OK. And you're not a member of NATO. You're a member of EU but not a member of NATO. Why are you not a member of NATO?

PRIME MIN. SIPILÄ: Yeah. Yeah, this is – this has been our solution. And also, Sweden, in our neighbor. We are cooperating with NATO very closely. We have defense cooperation with Sweden. And you have to remember that we are politically a part of the European Union. So, we are not neutral country anymore.

MR. RUBENSTEIN: All right, but you – President Trump said that the EU members should spend roughly 2 percent of their GDP on defense. Do you do that?

PRIME MIN. SIPILÄ: Yes. Yes, we do, if you count the big investments, we are ahead of us.

MR. RUBENSTEIN: And your biggest concern is an invasion from Russia? What is your biggest concern? Why do you need that much money to be spent on defense?

PRIME MIN. SIPILÄ: I think that we have new threats on the Earth – cyberattacks and hybrid attacks in our networks, and terrorism. And I think that these kinds of things are more dangerous at the moment.

MR. RUBENSTEIN: Now, 30 percent of your country is above the Arctic Circle.

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: And that's also – some people call part of that Lapland. And that is said to be where Santa Claus lives. Is that true? [Laughter.]

PRIME MIN. SIPILÄ: Yes. That's true. [Laughter.] That is true, yeah, yeah. If you ask Swedish prime minister, he can tell the other story, but mine is the only truth. [Laughter.] Yeah.

MR. RUBENSTEIN: OK. So, Santa Claus does live there?

PRIME MIN. SIPILÄ: Yeah, yeah. I have seen him.

MR. RUBENSTEIN: You have?

PRIME MIN. SIPILÄ: Yeah. Yeah. [Laughter.]

MR. RUBENSTEIN: What's he look like?

PRIME MIN. SIPILÄ: Yeah. With white hair and red – yeah.

MR. RUBENSTEIN: Oh, really? OK. So –

PRIME MIN. SIPILÄ: In Korvatunturi, that's the place he lives.

MR. RUBENSTEIN: So, when you're up in the Arctic as much as you are, is global warming a plus or a minus? A plus because the shipping lanes will be open. You can ship your products out through sea. Or a minus, because it's really changing everything in your country?

PRIME MIN. SIPILÄ: Yes. Of course, there are plus and minuses. But I think that the climate change is disaster for all of us. And we have to fight against the climate change together.

MR. RUBENSTEIN: All right. So, what is Finland doing about climate change?

PRIME MIN. SIPILÄ: We have [the] Paris Agreement. We have agreed the actions. We are fully behind the actions. We need to do three things. First, private consumptions. We have to change our behavior. Secondly, we need to increase these carbon sinks, to plant new trees. And the third thing is new technology. We can do a lot by new technology, by capturing CO2 from the air and converting CO2 to other products. And this will be very important part of the business in the future.

MR. RUBENSTEIN: OK. And do you think the EU is happy that this administration has taken us out of the Paris climate accord, or not?

PRIME MIN. SIPILÄ: No. We are not happy at all.

MR. RUBENSTEIN: Not happy.

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: All right, so what do you think you can do about that? Not much?

PRIME MIN. SIPILÄ: I think that we can do more in European Union and show some example how to do it. And I know that also in the states that the states in United States are doing much more than the global images.

MR. RUBENSTEIN: All right. So, let's talk about your own background for a moment. As I mentioned, you came from – you come from northern Finland. Finland has 5.5 million people.

PRIME MIN. SIPILÄ: Yes, including me.

MR. RUBENSTEIN: How many – including you, OK. [Laughter.] And how many people were in the city you grew up in?

PRIME MIN. SIPILÄ: There is 200,000 people.

MR. RUBENSTEIN: Two hundred thousand.

PRIME MIN. SIPILÄ: In the city I went, my primary school, there was 7,000 people.

MR. RUBENSTEIN: Seven thousand?

PRIME MIN. SIPILÄ: Small village. Yes.

MR. RUBENSTEIN: OK. So, the official language of the country is –

PRIME MIN. SIPILÄ: Finish and Swedish. We have two.

MR. RUBENSTEIN: And Swedish. You have two.

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: And why do you have Swedish?

PRIME MIN. SIPILÄ: We have about 5 percent Swedish people – speaking people in Finland.

MR. RUBENSTEIN: But you were part of Sweden at one point.

PRIME MIN. SIPILÄ: Yeah. That's our history. We were a part of Sweden, and then a part of Soviet Union, and Russia.

MR. RUBENSTEIN: Well, what was better? [Laughter.]

PRIME MIN. SIPILÄ: [Laughs.] Sweden.

MR. RUBENSTEIN: Sweden? [Laughter.] OK. So today what percentage of people speak English?

PRIME MIN. SIPILÄ: Almost all of them. All of us, because at the age of nine we start to learn English.

MR. RUBENSTEIN: All right. So, you went to school and you became an engineer. And after you graduated, did you work for anybody else, or you just started your own company?

PRIME MIN. SIPILÄ: I worked two years to Nokia. And after that, I founded my own company.

MR. RUBENSTEIN: OK. And speaking of Nokia, Nokia was the dominant cellular telephone manufacturer in the world at one point, then it kind of went south as the smartphones came along. So, has its problems hurt your country's economy?

PRIME MIN. SIPILÄ: Yes. Nokia is now one of the leading companies in building networks, mobile networks. But I think that this change in our – in our economy and industry was positive for us, because now – for example, in my hometown Nokia was very important at my student time in Oulu. But now there is hundreds of – hundreds of small companies compensating what Nokia employed.

MR. RUBENSTEIN: OK. So back to your own career. So, what did you actually do that made you the highest-income person in the country 20 years ago?

PRIME MIN. SIPILÄ: We made the world's best radio frequency fielders for the mobile networks and the mobile phone.

MR. RUBENSTEIN: And you sold the company?

PRIME MIN. SIPILÄ: Yes. I sold the company. It was – we doubled our revenue seven years in a row, so it was quite past time.

MR. RUBENSTEIN: So, what propelled you to get out of this world where you doing so well and get into the political world?

PRIME MIN. SIPILÄ: I don't know. [Laughter.]

MR. RUBENSTEIN: You don't know?

PRIME MIN. SIPILÄ: Maybe it was my biggest mistake. [Laughter.]

MR. RUBENSTEIN: And where do you find the egos are bigger, in the business world or in the political world?

PRIME MIN. SIPILÄ: The business world, absolutely.

MR. RUBENSTEIN: Really?

PRIME MIN. SIPILÄ: Yes.

MR. RUBENSTEIN: The political world they're not as big?

PRIME MIN. SIPILÄ: No. Not at all.

MR. RUBENSTEIN: OK.

PRIME MIN. SIPILÄ: We are humble in the political world. [Laughter.] We have to be humble.

MR. RUBENSTEIN: So, you – so you got elected to the parliament. The first time you ran for the parliament you got elected.

PRIME MIN. SIPILÄ: Yeah. Yes.

MR. RUBENSTEIN: And you had to go out and knock on doors? And how did you do that? How did you –

PRIME MIN. SIPILÄ: Yeah. I have – I built a wood gas car by myself. And with this wood gas car, I travel all over the – my area. And I visited a lot of people. I had a very hard campaign.

MR. RUBENSTEIN: But you were one of the wealthiest people in the country. So, they must have known you.

PRIME MIN. SIPILÄ: No. No. They didn't.

MR. RUBENSTEIN: People didn't know you?

PRIME MIN. SIPILÄ: No.

MR. RUBENSTEIN: OK. So, you got elected.

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: And then how did you become so quickly the head of your party? Only, like, a year or two after you got into politics you became the head of the party.

PRIME MIN. SIPILÄ: We lost two elections. And the party leader decided to leave the – her position. And after that, it was an open contest.

MR. RUBENSTEIN: All right. And then you became the speaker of the parliament, right?

PRIME MIN. SIPILÄ: The Speaker of the Parliament is the duty for the biggest party. And it was only six weeks before I came to the Prime Minister.

MR. RUBENSTEIN: OK. So, what was the biggest surprise in being Prime Minister that you did not anticipate?

PRIME MIN. SIPILÄ: Publicity. Media.

MR. RUBENSTEIN: Oh.

PRIME MIN. SIPILÄ: Slow decision-making processes. Nothing else. [Laughter.]

MR. RUBENSTEIN: OK. When you – how many – how many seats are there in the parliament?

PRIME MIN. SIPILÄ: Two hundred.

MR. RUBENSTEIN: And therefore, you have a – how many seats do you control?

PRIME MIN. SIPILÄ: Forty-nine.

MR. RUBENSTEIN: Forty-nine. So, you're controlling a majority through other parties, is that right?

PRIME MIN. SIPILÄ: Yes. We have a coalition of three parties.

MR. RUBENSTEIN: And – OK. So, do you get a house if you're the Prime Minister? Or they give you something to live in? Like 10 Downing Street or something like that?

PRIME MIN. SIPILÄ: [Laughs.] Yeah. I have a – I have a Prime Minister's residence. But this coalition, we are used to coalitions in Finland. And maybe this is our brand also, that we have to make compromises also in the domestic politics.

MR. RUBENSTEIN: Let's talk about the economy of Finland. What is the driving force of the economy of Finland today?

PRIME MIN. SIPILÄ: Export. It has been our number one.

MR. RUBENSTEIN: What do you export?

PRIME MIN. SIPILÄ: Forest products. Nokia is one of the biggest metal works. Diesel engines.

MR. RUBENSTEIN: And your biggest export partners, to whom you export, who are they?

PRIME MIN. SIPILÄ: European Union countries. U.S.A. is number four.

MR. RUBENSTEIN: OK. And you have a surplus with the U.S. Everybody does. But you should as well.

PRIME MIN. SIPILÄ: Yeah. Yeah, we do. But at the same time, we have invested a lot. Our companies have invested a lot to the states and employ a lot of people here. You have to count on that.

MR. RUBENSTEIN: OK. So, when you were in the – when you were in the business world, you – didn't you open a facility here as well?

PRIME MIN. SIPILÄ: Yes. I was about 30 years old. And we decided to open a facility here in the states. And I traveled eight states in seven days and visited 16 cities. And finally, we decided our location to Hutchinson, Minnesota.

MR. RUBENSTEIN: Really?

PRIME MIN. SIPILÄ: Yeah. Because it was like Finland. [Laughter.]

MR. RUBENSTEIN: OK. All right. Jeff Bezos did the same thing, and he picked Washington, D.C. and New York. But you picked Minnesota. OK.

PRIME MIN. SIPILÄ: Yeah. [Laughs.]

MR. RUBENSTEIN: So, a big Finnish population there?

PRIME MIN. SIPILÄ: Yeah. That's true. Even there is still some [inaudible] there. I visited them, and there was a sign – Finnish signs, and people are speaking Finnish there.

MR. RUBENSTEIN: And one of your tire companies, I understand, is building a tire facility in Tennessee now, \$300 million. Is that very common, for Finnish companies to invest in the United States and build facilities here?

PRIME MIN. SIPILÄ: Yes. I think that this is very common.

MR. RUBENSTEIN: And what about in your country? Are a lot of Americans investing in your country? And why should Americans invest there? What's a good reason why Americans should want to invest in your country?

PRIME MIN. SIPILÄ: Because of our innovation policy. And we have number-one innovations in artificial intelligence, digitalization. Our gaming industry is very famous.

MR. RUBENSTEIN: So what percentage of the population is connected to the internet?

PRIME MIN. SIPILÄ: All of them.

MR. RUBENSTEIN: Everybody?

PRIME MIN. SIPILÄ: All of us.

MR. RUBENSTEIN: And do you have – how fast is your internet speed?

PRIME MIN. SIPILÄ: I have 100 megabytes.

MR. RUBENSTEIN: Really?

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: OK. And in the economy that you have, let's talk about your taxes. If you're a business person in Finland, what percentage of your income would you be paying in taxes?

PRIME MIN. SIPILÄ: Forty percent. From my salary, which is quite low compared to the – not – OK. [Laughter.] But anyway, it's about 40, 44-42 percent total.

MR. RUBENSTEIN: OK. And what – you have free health care for everybody? Free schooling?

PRIME MIN. SIPILÄ: Yes. School is free. Education is free. We have the best education system in the world. That's guaranteed. And our health care system is also free for everyone. For example, if I have some problems, I go to the public health care.

MR. RUBENSTEIN: But suppose you're busy and the public health care says I can't see you this week or next week, come in three weeks, what do you do?

PRIME MIN. SIPILÄ: We have a private sector also. But normally we don't need to wait. And we are changing our health care system also, that there is no so long waiting time.

MR. RUBENSTEIN: Now, many countries in Europe suffered a bit of a political issue with refugees coming in. How many refugees did you take from the Middle East?

PRIME MIN. SIPILÄ: In 2015 we had about 32,000.

MR. RUBENSTEIN: Thirty-two thousand. How many are still there?

PRIME MIN. SIPILÄ: Ten thousand.

MR. RUBENSTEIN: Ten thousand? And they're mostly from Iraq, or?

PRIME MIN. SIPILÄ: From Iraq, they're mostly – most of them –

MR. RUBENSTEIN: And now will they stay permanently, and they'll be integrated into society, or?

PRIME MIN. SIPILÄ: Yeah. They are slowly integrating to the society. In my company, I had also people from Iraq. And they were very hardworking people.

MR. RUBENSTEIN: OK. So today if I wanted to invest in Finland, suppose I said I have some extra money in want to invest in Finland, where should I invest it? What industry or what sector would you recommend?

PRIME MIN. SIPILÄ: I have a lot of proposals for you. [Laughter.]

MR. RUBENSTEIN: OK.

PRIME MIN. SIPILÄ: I can – I can do it privately. But I think that this new technology, digitalization, this is the most fast-growing areas. But our metal industry is very strong. Forest industry. It's changing to bioproducts. We can make plastics. We can make biofuels out of wood. Also, textiles out of wood today in Finland. Wood oils.

MR. RUBENSTEIN: Now, OK. Well, those are pretty good. Suppose I can say I've never been to – I've actually been to Finland many times.

PRIME MIN. SIPILÄ: Yeah, I know.

MR. RUBENSTEIN: But suppose I said I've never been there, and I want to go see some tourist attractions. What do you actually have that I would want to go see?

PRIME MIN. SIPILÄ: There is a – we have about 200,000 lakes in Finland. So, the lakes are very beautiful. And it's all over Finland. But of course, I am from the north. My recommendation is to visit Lapland and see Santa Claus. [Laughter.]

MR. RUBENSTEIN: Really? Wow. OK. All right. That's pretty attractive. Is he there in the summer as well, or?

PRIME MIN. SIPILÄ: Yes. Yes. He is always available. [Laughter.] Waiting for you.

MR. RUBENSTEIN: OK. I'll be there soon, no doubt.

So today the tariffs that the Trump Administration has talked about imposing on some of our trading partners, is that a concern for you?

PRIME MIN. SIPILÄ: Yes. Yes, it is. And especially the trade issues between European Union and USA. I think we are friends in many ways, and this is something we should discuss and change. And I think that things are on a better track at the moment, but this worries us a lot.

MR. RUBENSTEIN: So, Finland has been close to the United States in a number of areas. One of them was after 9/11. I think you were very helpful in providing some military troops to Afghanistan and other places. Is that true?

PRIME MIN. SIPILÄ: Yes. And we have been also in U.N. operations in Lebanon, in many countries.

MR. RUBENSTEIN: And how large is the Finnish military?

PRIME MIN. SIPILÄ: How?

MR. RUBENSTEIN: How big? How many people do you have?

PRIME MIN. SIPILÄ: All of us are, including me.

MR. RUBENSTEIN: Oh, you're all in.

PRIME MIN. SIPILÄ: We have a – we have about one year all the males has to go to the army, yeah.

MR. RUBENSTEIN: OK. So young people growing up in Finland, do they say that it's a small country, there's greater prospects elsewhere? Are they leaving or are they staying in Finland?

PRIME MIN. SIPILÄ: They are staying in Finland, mostly. But more and more young people are visiting some other countries, working there, and coming back to Finland.

MR. RUBENSTEIN: So, do you have a lot of Americans moving to Finland, or people from other countries moving there? Or not that much immigration from places like this?

PRIME MIN. SIPILÄ: Also, from U.S. people are visiting Finland, studying in Finland, and maybe founding a company in Finland. There is a lot of U.S.-based people.

MR. RUBENSTEIN: So, as I mentioned earlier, you're a pilot.

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: So, like, when you flew over here do you fly the plane, or no?

PRIME MIN. SIPILÄ: Yeah. I can fly. Do you need pilots? [Laughter.]

MR. RUBENSTEIN: Always use good pilots. But you can fly, you know, any kind of jets and propeller planes, and everything?

PRIME MIN. SIPILÄ: Yes. I mostly do the smallest planes and helicopters. But also, small jets.

MR. RUBENSTEIN: But, like, when you're the Prime Minister, is it considered safe to be flying helicopters around? Because it might not be that safe.

PRIME MIN. SIPILÄ: Yeah. There has been a discussion in Finland about that. [Laughter.] But I have flined also my work trips.

MR. RUBENSTEIN: OK. So now you have children who are in the business world. Are they entrepreneurs like you?

PRIME MIN. SIPILÄ: Yes, they are. All of them.

MR. RUBENSTEIN: And so, are they building their own companies, they're off your payroll, and so forth?

PRIME MIN. SIPILÄ: No, they are independent.

MR. RUBENSTEIN: OK. So –

PRIME MIN. SIPILÄ: Yeah. It has been very important for them to show that they can take care of the –

MR. RUBENSTEIN: So, when you are finished in politics, and let's suppose you win the reelection or – but eventually you might retire.

PRIME MIN. SIPILÄ: Yeah. After that, yes.

MR. RUBENSTEIN: So, would you consider ever running for President of Finland?

PRIME MIN. SIPILÄ: No. [Laughter.]

MR. RUBENSTEIN: Why?

PRIME MIN. SIPILÄ: Because I like this – this is more action, this Prime Minister's job. I have to do all the – all the dirty things.

MR. RUBENSTEIN: Indeed. [Laughter.] Do you tell that to the President?

PRIME MIN. SIPILÄ: And I like that.

MR. RUBENSTEIN: Do you tell the President that you have to do the hard work, or he doesn't – he knows that?

PRIME MIN. SIPILÄ: [Laughs.] Yeah, it's – the domestic policy is under Prime Minister and European policy is under Prime Minister. And in foreign policy we are cooperating together.

MR. RUBENSTEIN: So, when you finish being in politics, in government, would you consider going back into the entrepreneurial world or technology?

PRIME MIN. SIPILÄ: Yes. Yes. Yeah.

MR. RUBENSTEIN: That's what you think you will do?

PRIME MIN. SIPILÄ: Maybe it's Juha Sipilä's airliner, will be the next one.

MR. RUBENSTEIN: Really?

PRIME MIN. SIPILÄ: Who knows? Prime Minister's flights – Arctic flights. [Laughter.]

MR. RUBENSTEIN: Right. So, what would you like the – most Americans, I assume, have not been to Finland, I think it's fair to say? Three hundred and thirty million Americans. Probably most have not been there. So, what would you like most Americans to know about Finland that you think they don't know, other than Santa Claus is there?

PRIME MIN. SIPILÄ: Yeah. Santa Claus is very important. And ice hockey is very important also. But we have very clean air, the cleanest in the world. We have the cleanest food in the world. And we have the happiest people in the world.

MR. RUBENSTEIN: OK. That's pretty good.

PRIME MIN. SIPILÄ: Yeah. Good start.

MR. RUBENSTEIN: And if you're an unhappy person and you live in Finland for a while, do you become happy? I guess so.

PRIME MIN. SIPILÄ: Yeah. Yeah, you can do it also. The happiest people in the world. If you listen to opposition in the parliament, I think that you never know that this is the happiest country in the world. You – yeah. But every Thursday we have a questioning hour in our parliament. And after that, you are so tired and so unhappy. But you are recovering over the weekend and next week.

MR. RUBENSTEIN: Do they have, like, Prime Minister's questions, like they do in the British Parliament, that people can ask you?

PRIME MIN. SIPILÄ: Yes. Yes. Every week.

MR. RUBENSTEIN: And is that – do you have to prepare for that? Or you know the answers pretty well without –

PRIME MIN. SIPILÄ: I don't know the answers. The answers – or questions. I don't know the questions.

MR. RUBENSTEIN: OK. So –

PRIME MIN. SIPILÄ: I don't know – I know the answers, of course. But not the questions.

MR. RUBENSTEIN: What is the thing with saunas in your country? You have, like, 5 ½ million people, but you got like 4 million saunas. [Laughter.]

PRIME MIN. SIPILÄ: Yeah, yeah. Yeah, everyone goes to the sauna. All the Finns are using saunas.

MR. RUBENSTEIN: Why is it so – what, is it healthy for you, or?

PRIME MIN. SIPILÄ: It's a healthy one. It's good for the blood pressure and everything. In the Prime Minister's residence there is a very famous sauna also. It's built by President Kekkonen in 1952 when we had Olympic games in Finland. You are welcome to visit my sauna.

MR. RUBENSTEIN: Well, I –

PRIME MIN. SIPILÄ: All the hard decisions are made in the sauna.

MR. RUBENSTEIN: Really?

PRIME MIN. SIPILÄ: Yeah. If I have some issues with the labor market or unions –

MR. RUBENSTEIN: Really? You put them in the sauna?

PRIME MIN. SIPILÄ: Yeah. I invite them to the sauna.

MR. RUBENSTEIN: One time I was interviewing John Major¹, and he told me that, I guess, when he went to Russia, Boris Yeltsin insisted that he go into the sauna with him. And they put in Helmut Kohl as well. And he said: One thing you don't want to see in this world is Boris Yeltsin, Helmut Kohl in a sauna together, but OK. [Laughter.] Another issue.

PRIME MIN. SIPILÄ: Yeah. I have done it with the Estonian prime minister, and the Swedish prime minister, and Russian prime minister.

MR. RUBENSTEIN: OK. But the saunas there are not co-ed. They are in some parts of Europe, but not in Finland, right?

PRIME MIN. SIPILÄ: In Finland, yeah.

MR. RUBENSTEIN: They're co-ed too?

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: Oh, I didn't know that. OK. I didn't know that. OK. [Laughter.] Oh, I thought they were single-sex. But they're co-ed in Finland.

PRIME MIN. SIPILÄ: Yeah.

¹ Former British Prime Minister John Major (1990-1997)

MR. RUBENSTEIN: OK. All right. And is that a big export for you, saunas, or? [Laughter.]

PRIME MIN. SIPILÄ: Yeah. We are exporting a lot of saunas also. Yeah.

MR. RUBENSTEIN: Wow. OK. Santa Claus uses them too, I guess?

PRIME MIN. SIPILÄ: And – yes. Santa Claus is using it too. And this is the explanation for the high age of the – of the Santa Claus.

MR. RUBENSTEIN: OK.

PRIME MIN. SIPILÄ: And I have also ice swimming possibilities in my residence in Helsinki. There is a hole in the ice, and you go swimming. This is –

MR. RUBENSTEIN: Isn't that kind of cold, or?

PRIME MIN. SIPILÄ: It's quite cold, yeah. But you can – safe also, if you do it fast. But it's guaranteed always that you –

MR. RUBENSTEIN: So, you go into – you cut the hole in the ice. You go into the cold water, and then you go back in the sauna?

PRIME MIN. SIPILÄ: Yeah, right.

MR. RUBENSTEIN: Back and forth?

PRIME MIN. SIPILÄ: Yeah. Quite fast.

MR. RUBENSTEIN: And this is healthy?

PRIME MIN. SIPILÄ: This is healthy. [Laughter.] Yeah.

MR. RUBENSTEIN: OK. It's safe? I mean, people –

PRIME MIN. SIPILÄ: Next time you are in Finland you can –

MR. RUBENSTEIN: I might be coming soon. OK. All right.

PRIME MIN. SIPILÄ: Yeah. Yeah. [Laughter.]

MR. RUBENSTEIN: So –

PRIME MIN. SIPILÄ: So now you have three issues: Santa Claus, sauna, and ice swimming.

MR. RUBENSTEIN: I can't wait to get there. [Laughter.]

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: So now you're going to see some members of Congress, I assume, while you're here. So, what is your main issue to talk to them about?

PRIME MIN. SIPILÄ: We will discuss about trade policy, about European Union, and I'm sure, always when Finnish prime minister is visiting, we discuss about Russia.

MR. RUBENSTEIN: OK. And do you invite members of Congress to come? Do many members of Congress come to visit Finland?

PRIME MIN. SIPILÄ: Yes. Absolutely.

MR. RUBENSTEIN: OK. And I should say, our Ambassador Bob Pence is right here. Bob is a very prominent businessman in Washington. And he's our ambassador, and I assume doing a great job, right?

PRIME MIN. SIPILÄ: Yes. He – absolutely. Best possible person.

MR. RUBENSTEIN: OK. All right. Great. So, let's conclude with a couple final questions. So today as you look at the global economy, are you worried about a slowdown in the global economy, and could it affect Finland in some ways?

PRIME MIN. SIPILÄ: Yes, I am. And of course, the trade policy is in the middle of this discussion. I am – I am the defender of the free and trade – free trade. It's very important.

MR. RUBENSTEIN: So, I guess one of your messages to people here would be that we should continue free trade policies.

PRIME MIN. SIPILÄ: Yes. Yes.

MR. RUBENSTEIN: OK. And do you see any evidence of a recession yet in Europe or in Finland? Do you see any signs of a recession coming, or not yet?

PRIME MIN. SIPILÄ: Not yet. But there is a lot of worries in the air.

MR. RUBENSTEIN: And today do you do a lot of trade in Finland with Russia?

PRIME MIN. SIPILÄ: Yes. Actually, it was number one or number two in our trade 10 years ago. But after the sanctions and the development in Russia, it's now number five.

MR. RUBENSTEIN: But are there a lot of Russians who come to Finland for tourism or Finns who go to Russia for tourism?

PRIME MIN. SIPILÄ: Yes, there is – yeah. Yeah, there is visitors coming from Russia. It's about 90,000 per year.

MR. RUBENSTEIN: And your border with Russia, is that policed or is it just an unguarded border?

PRIME MIN. SIPILÄ: It's guarded border. It's about 1,300 kilometers.

MR. RUBENSTEIN: I see. So, but make sure I understand, your country was part of Sweden many, many years ago.

PRIME MIN. SIPILÄ: Quite many years, yes.

MR. RUBENSTEIN: And then Sweden kind of gave you away, or they didn't want you anymore, and they became separate right?

PRIME MIN. SIPILÄ: [Laughs.]

MR. RUBENSTEIN: And so then – but you were never conquered by the Nazis in World War II. Is that right?

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: You were never conquered by them?

PRIME MIN. SIPILÄ: Yeah, but we had a war against the Nazis in the end of the war, in '44-'45.

MR. RUBENSTEIN: And the Russians, they never actually – did the Russians own you for a while? But that was a long time ago?

PRIME MIN. SIPILÄ: Yeah. A hundred years ago.

MR. RUBENSTEIN: A hundred years ago. But your country has been independent since what year?

PRIME MIN. SIPILÄ: 1917.

MR. RUBENSTEIN: 1917, after World War I.

PRIME MIN. SIPILÄ: Yes.

MR. RUBENSTEIN: And before that you were part of Sweden.

PRIME MIN. SIPILÄ: Part of Russia.

MR. RUBENSTEIN: Part of Russia.

PRIME MIN. SIPILÄ: Yeah.

MR. RUBENSTEIN: OK. And part of Sweden much before that.

PRIME MIN. SIPILÄ: Yes.

MR. RUBENSTEIN: So, you know, Mr. Nobel, when he handed out the Nobel prizes, he said Sweden would give them out, but Norway would get to give out the Peace Prize. How come Finland didn't get to give out anything?

PRIME MIN. SIPILÄ: I think that we were part of Sweden or Russia at that time, yeah.

MR. RUBENSTEIN: So, he didn't want to give you something separate to give out.

PRIME MIN. SIPILÄ: Yeah. But we have got the prizes. And we are very proud of that.

MR. RUBENSTEIN: OK. All right. Well, I can't wait to visit Finland again. I've been there many times. And next time I will get to see you and your sauna maybe, or something like that.

PRIME MIN. SIPILÄ: Yeah. You're welcome.

MR. RUBENSTEIN: And you'll be still a prime minister because you're going to get reelected, right?

PRIME MIN. SIPILÄ: Yeah. That's the plan. [Laughter.]

MR. RUBENSTEIN: Is there any reason why people shouldn't vote for you? I mean –

PRIME MIN. SIPILÄ: No. There is no reason for that. [Laughter.]

MR. RUBENSTEIN: No reason? OK. All right. Well, thank you very much for the conversation.

PRIME MIN. SIPILÄ: Thank you. [Applause.]



**His Excellency Juha Sipilä
Prime Minister of the Republic of Finland**

Prime Minister Sipilä was elected a member of the Finnish Parliament in 2011, and then as the leader of the Centre Party of Finland in 2012. Sipilä led his party to victory in the March 2015 General Elections, and subsequently formed a centre-right coalition government. He was appointed Prime Minister in June 2015.

Prior to politics, Juha Sipilä had a very successful career in business. In 1992, he started as a managing director of Solitra, a company producing components for mobile phones and networks. In 1994, he became the main owner of the company, which he later sold to an American ADC Telecommunications. He has also led his own business, Fortel Invest, a private equity and venture capital firm, and held a position of a Managing Director of Elektrobit Corporation, an engineering company which had affiliated companies in 16 countries including locations in Seattle, San Diego and Dallas among many other places. Sipilä was also a Member of the Board of Directors in several other companies.

Prime Minister Sipilä received a Master of Science in Technology from the University of Oulu and holds the rank of Captain in the Finnish Defence Forces Reserves.