

Preface

Feeling indebted is more obvious in the context of this book than in my previous works. While writing this book I have stepped on the shoulders of a large number of senior scholars and professionals during a period which extends to three decades. My personal interest in over-indebtedness goes back to my early working life. I worked as a journalist with a degree in economics and some university studies in law at the time when the Finnish economy was going through a period of overheating before a complete collapse in 1991. While reporting for a national newspaper, *Uusi Suomi*, my bosses, Olli Ainola, Eero Karisto and Jyrki Vesikansa, gave me unexpected responsibility for following the banking crisis, which included bank takeovers, direct monetary assistance and temporary blanket guarantees to the banks – the crisis cost roughly 8 per cent of gross national product (GNP), making it the most severe of the contemporary Nordic banking crises. The financial institutions were bailed out while thousands of individuals were left with insurmountable debt burdens. The public atmosphere was filled with anger and resentment. After a career in journalism, Professor Olli Kangas introduced me to social policy and poverty research, which became my main area of academic interest.

Although I soon realized that poverty research has mainly ignored the topic of over-indebtedness, the original idea for this book did not come before a project funded by the Academy of Finland (SA 259 216, 2012–2016) which focused on the social consequences of economic recessions. With Jenni Blomgren and Nico Maunula, my good colleagues at the Social Insurance Institution of Finland research department, I was able to purchase and utilize a unique register from Suomen Asiakastieto Oy, a company maintaining the leading database of consumer and business credit history in Finland. The records of previously over-indebted persons were erased retrospectively following the amendment to the Credit Information Act taking effect on 1 April 2010, which stipulated that all outdated payment default entries had to be removed from the credit information register after the payment liability had expired. We got the personal identification numbers of 37 000 persons with default payment records whose name had been on the register for at least

15 years. The project resulted in one of the first register-based studies on consequences of over-indebtedness in the Nordic area.

As part of the same project I produced, together with Elina Turunen, a systematic literature review on the health effects of over-indebtedness. In 2013, I moved to the University of Helsinki, where Chaitawat Boonjubun, Meng Han Chau, Annika Lehmus-Sun and Jonni Tanskanen worked as my research assistants. Jonni Tanskanen also wrote his Masters' thesis utilizing the data described above. Chaitawat Boonjubun and Meng Han Chau carried out literature reviews which I was able to use in compiling this book. Annika Lehmus-Sun helped me with editing the references.

I have been privileged to have comments and guidance on my manuscript from Aapo Hiilamo, Elli-Alina Hiilamo, Juha Panzar and Anu Rajas. Johanna Niemi gave valuable comments on legal terms. I also am grateful to VID Specialized University Oslo, which offered me an opportunity to work as Kjell Nordstokke guest professor during the most intensive writing period in this project in 2017. I want to thank my boss Annette Peter-Leis and my colleagues Hans Morten Haugen, Kari Jordheim and Kari Korslien for their encouragement and support.

There is also a more personal reason behind my engagement with over-indebtedness. In 1991 my parents' textile company filed for bankruptcy, leaving some 100 people without work and my parents with unbearable debts due to personal liability of business loans. I am deeply indebted to my father Simo and my mother Pirkko, who showed how it is possible to recover from serious over-indebtedness with determination and a resourceful mind. While they were able to rebound soon, the bankruptcy continues to shadow their lives and the lives of my brothers and sisters to the present day. Through this personal experience I have come to realize how deep and long-standing the effects of a period of insolvency can be on concerned individuals and their families.