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Finnish Drivers Don't Mind Sliding Scale, But Instant Calculation Gets Low Marks

By Steve Stecklow

HELSINKI, Finland -- Jaako Rytsola, a 27-year-old Finnish Internet entrepreneur and newspaper columnist, was cruising in his BMW one recent evening. "The road was wide and I was feeling good," he later wrote. "It's nice to be driving when there's no one in sight."

But this road wasn't empty; a radar-equipped police car was clocking his speed. The officer pulled over Mr. Rytsola's car and issued him a speeding ticket for driving 43 miles an hour in a 25-mile-an-hour zone. The fine: $71,400.

The staggering sum was no mistake. In Finland, traffic fines generally are based on two factors: the severity of the offense and the driver's income. The concept has been embedded in Finnish law for decades: When it comes to crime, the wealthy should suffer as much as the poor. Indeed, sliding-scale financial penalties are also imposed for offenses ranging from shoplifting to securities-law violations. "This is a Nordic tradition," says Erkki Wuoma, special planning adviser at the Ministry of Interior. "We have progressive taxation and progressive punishments. So the more you earn, the more you pay."

But the arrival of a new, high-tech police tool for calculating traffic fines is making some well-to-do Finns progressively furious.

For years, the size of traffic fines was largely dependent on the honor system. Police officers asked violators for their current monthly gross income, then consulted a book of tables to calculate the fine. The police complained that drivers routinely lied -- it was "the national sport," says traffic officer Risto Maksimainen -- and the only recourse was to go to court. Motorists complained, too, arguing that the fines should be based on take-home pay, which given Finland's hefty income-tax rates, is considerably less than gross income.

And so, in October 1999, the Finnish government made some major changes, including basing fines on net income. But the biggest change was this: Using cellular phones, the police can now tap into official tax records, which in Finland are open to the public, and learn within seconds a driver's reported income and the corresponding traffic fine.

A Courtroom Challenge

Keijo Kopra, managing director of Vierumaen Teollisuus Oy, a wood-products company, experienced this firsthand in November 1999. On his way home from work, Mr. Kopra was pulled over for driving 14 miles an hour over the speed limit. Using the new system, the officer wrote him a ticket for $14,500.

Enraged, the executive challenged the amount in court, and a judge lowered it to $9,000. But then the police mentioned that Mr. Kopra had received two previous speeding tickets in 1999 before the new system went into effect. Based on the income he had claimed at the time, each fine was $750. The judge, outraged, imposed additional fines of $38,000 Mr. Kopra remains apoplectic. "This is no constitutionally governed state, this is a land of rhinos!" he says. "This is legalized robbery by police. I'm surprised they're not authorized to shoot you, too. But of course if they shoot you, they cannot get any money out of you."

Rather than pay the fine, Mr. Kopra says he offered to go to jail. The judge refused -- and Mr. Kopra was forced to pay. Teemu Selanne, Finland's most celebrated hockey player and a member of the National Hockey League's Anaheim Mighty Ducks, apparently isn't thrilled with the system, either. In June, he was fined $39,000 for colliding with another car in Finland and injuring five people. Mr. Selanne declined to comment for this story, but a close friend says he was so upset by the fine that he threatened to leave his country for good. "He was really angry because he thought it was not fair," says Hjallis Harkimo, who owns several European sports teams.

Many Finns believe the system is fair. Patrolling the highways outside Helsinki in an unmarked Opel, Officer Maksimainen and his partner, Anssi Ukonaho, clock a red Volkswagen Golf driving 18 miles an hour over the speed limit. They stop the car, and the driver, Janne

Rajala, a 26-year-old student, produces his driver's license. Officer Ukonaho whips out his Nokia phone and punches in some numbers, including Mr. Rajala's social-security number.

Within seconds, Mr. Rajala's 1999 tax records appear on the phone's tiny screen: his monthly gross income ($975) and his after-tax income ($724). The screen also flashes his fine: $82. Because this amount is below the minimum fine for driving this fast, the officers write a ticket for $106.

"I think it's okay," Mr. Rajala says, adding he would see nothing wrong with paying more if he earned more. "Why not? When you have so much money, it doesn't matter."

Many politicians here apparently agree. Leena Harkimo, a Conservative Party member of the Finnish Parliament and wife of the sports-team owner, tried to introduce a bill last year that would have capped most speeding tickets at a mere $7,825. But only 29 of the 200 members of parliament supported the legislation. "Some people think it's the only way to get the wealthy people to drive slowly or respect the law," she says. "If they're speeding often, let's make a system where they lose their driver's license easily." Traffic fines go to Finland's treasury to be used for general government purposes. Mr. Rytsola, who was issued the $71,400 speeding ticket in October and another $44,100 ticket in August for zigzagging in downtown Helsinki, says he supports income-based penalties, but with a cap on traffic fines. Under the present system, he says, "if you earn enough you shouldn't even touch a car," noting that accidentally driving too fast could cost the richest Finns hundreds of thousands of dollars.

Government officials concede the new system is more about equity than safety. While the average fine has doubled in the past year to about $219, the number of speeding tickets issued is about the same, and there has been no drop in the number of traffic fatalities. "It's a big problem," says Anna Lisa Tarvainen, a senior officer in the Ministry of Transport. Traffic fines are paid to the Ministry of Justice.

Heikki Summala, a professor of traffic psychology at the University of Helsinki, blames the healthy Finnish economy. "Always when the economy is strong, people drive somewhat faster and have somewhat more

accidents," he says. "Some people are simply more in a hurry ... and time is money."

Dr. Summala notes that what makes Finland's new fine system possible is the country's extensive computerized databases and advanced cellular-phone technology. Finland, after all, is home to Nokia Corp., the world's largest

cellular-phone-handset maker, and seven out of every 10 Finns use cell phones. However, given the complexity of the new law, it's hard to imagine that anything short of a supercomputer could calculate a Finnish speeding ticket.

Using an overhead projector back at the Interior Ministry, Mr. Wuoma attempts to explain the math. He takes out a piece of paper covered with long equations, which seem more appropriate for a college class in nuclear physics.

The equations start with a motorist's net monthly income. The figure comes into play whenever a driver is caught going at least 12 miles an hour over the posted limit (below that, the fine is a fixed amount, ranging from $63 to $110). To begin, the driver's monthly net income is reduced by 1,500 Finnish marks ($235) and that total is divided by 60. This figure is supposed to represent a person's daily disposable income. Then, for every dependent, such as a child or nonworking spouse, 15 marks is subtracted. But as many as 20 marks may be added depending on the value of the driver's other assets, including real estate.

The final figure, called a day fine, is then multiplied by a number ranging between one and 120, representing the severity of the violation as determined by the traffic officer. For example, a person driving 20 miles an hour over the limit on a highway in good weather might be assessed 12 day fines.

It all seems to make sense to the traffic officers looking on. "It's so simple," says Mr. Ukonaho.
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