

# As Finland's economy hit by war on Iran, President Stubb pledges support to US military

David Brown  
17 May 2026

The US-Israeli war of aggression against Iran launched on 28 February is deepening. The terror bombing and naval blockade of Iran, and the closure of the Strait of Hormuz have driven up oil prices globally, contributing to inflation, high unemployment and economic stagnation.

The right-wing Finnish government led by Prime Minister Petteri Orpo and President Alexander Stubb—members of the right-wing National Coalition Party (NCP)—has pursued a strategy of subservience to US militarism and support for war crimes, paid for by extensive cuts to social services and living standards at home.

Due to the ongoing closure of the Strait of Hormuz, the Ministry of Finance revised its growth predictions downwards for the year from a modest 1.1 percent to just 0.6 percent. Since the beginning of the US assassination and bombing campaign in February, diesel prices have spiked by 30 percent, from €1.80/L to €2.33/L, and are now the highest in Europe.

Finland's unemployment rate of 11.1 percent is also the worst in the European Union (EU) and has been steadily growing over the past year. The ministry's report predicts a slight improvement in 2027 and 28, but that depends on the fantastical scenario that the Iran crisis is "resolved quickly and with little damage."

Stubb has raised only one criticism of the war: that America's NATO allies were not consulted. He has directed his ire against Iran for daring to strike back at US military assets in the region and exercising control over the Strait of Hormuz.

The Finnish government signed a March joint statement initiated by the major European powers Germany, France, and Britain which—almost one month into the war initiated by American imperialism and its attack dog Israel—denounced Iran for having the temerity to resist. The opening paragraphs read:

We condemn in the strongest terms recent attacks by Iran on unarmed commercial vessels in the Gulf, attacks on civilian infrastructure including oil and gas installations, and the *de facto* closure of the Strait of Hormuz by Iranian forces.

We express our deep concern about the escalating conflict. We call on Iran to cease immediately its threats, laying of mines, drone and missile attacks and other attempts to block the Strait to commercial shipping.

In a recent interview with *Al-Arabiya*, Stubb pledged his service to US imperialism, saying, "We need American presence and we will continue to help the United States."

Developing this theme further in an interview with the Italian newspaper

*Corriere della Sera*, he said: "The United States will not withdraw from Europe. If they want to project their power into regions like the Middle East, Asia, Africa, they need to have a solid foundation here."

Under conditions of the breakdown of the transatlantic alliance as it has existed for decades after World War II, such declarations reflect an attempt by the European ruling class to maintain some degree of cooperation with Washington as they rearm at breakneck speed to act more independently on the world stage.

In March, Stubb announced that the Finnish government wanted to offer the US military support against Iran, if Trump would increase US military assistance to Ukraine. Stubb has had no objections while Trump repeatedly discusses completely destroying Iranian culture and massacring the civilian population. There is no crime the US could commit that would give Finnish capitalism pause.

Orpo's three-party coalition includes the far-right Finns Party and the smaller Christian Democrats. The militarist, anti-worker character of its policies since 2023 underscore the transformation of Finland into a frontline state in the imperialist powers' war to reduce Russia to semi-colonial status, and the prominent role of the fascistic Finns in establishment politics.

## A programme of savage austerity to pay for militarism and war

At the end of April, Finland's government concluded budget negotiations for cuts to social services over the next three years. The framework covers government spending through 2030 and includes €300 million in cuts primarily targeting social services and healthcare.

These cuts are expected to increase fees across the country's public health system and cut already struggling social services. Given that parliamentary elections are due next year, the decisions now being taken all but determine the budgets any new government will have to enforce for much of the next parliamentary term, irrespective of which party wins the vote.

A public school teacher explained to the WSW the potential impact of the sweeping austerity measures:

We're already seeing the impact of previous cuts. It's a constant struggle to get the necessary services to the students who need it the most. There are several unfilled child psychologist positions at the Helsinki University Hospital and that means it can be months before a student in crisis gets the help they need in terms of

counselling or family therapy. Those delays then translate into behaviour problems, violence, anxiety attacks, and other issues that hurt the child and disrupt the whole school.

To underline the close connection between the gutting of public services and the subordination of society's resources to war, the government plans to increase financial support to the Ukrainian military by €300 million, the same amount by which social spending will be reduced. Military spending overall is to be increased by €1.1 billion, an 18 percent increase, in pursuit of NATO's 5 percent of GDP spending target.

In December of 2021, Finland concluded an €8.4 billion deal to purchase 64 F-35 fighter jets from US corporation Lockheed Martin. The first fighter jet built under the agreement arrived in the country earlier this year.

The government is likely to increase cuts to social programmes significantly as the Finnish economy feels the unfolding impact of the US/Israeli war of aggression against Iran. The 2026 budget deficit is expected to grow to 4.6 percent of GDP from 3.4 percent in 2025. The government's overall debt level is forecast to grow from 88 percent of GDP in 2025 to a full 100 percent in 2030.

The EU has opened an administrative Excessive Deficit Procedure against Finland, threatening fines if the budget deficit is not reduced below 3 percent. Orpo, Stubb and their governing NCP welcome the EU's threats and see the growing economic crisis as a useful justification for cutting welfare and disciplining the working class.

### **A frontline state in the NATO war on Russia**

The government has pursued an aggressive foreign policy against Russia, further damaging the economy, and tried to whip up a war hysteria to force the public to acquiesce.

Finland has been hit especially hard by the rise in global oil prices because of the sanctions regime against Russia, which cut off 60 percent of the country's energy imports in 2022. This accounted for a full third of all energy consumption. The initial justification of punishing Russia's invasion of Ukraine has been supplemented with a series of increasingly bizarre and fabricated "crises" aimed at fanning anti-Russian sentiment.

In 2024, Finland accused Russia of "hybrid warfare" for facilitating the onward travel of 1,300 refugees who wanted to seek asylum in Europe. The presence of this minuscule number of immigrants served as the justification for closing all border crossings into Russia and breaking Finland's obligations to asylum seekers under international law.

The manoeuvre effectively ended the remaining bilateral trade between the two countries and has produced particularly high unemployment in the Eastern part of the country, as high as 18.2 percent in Southern Karelia. In addition, the move helped strengthen the Finns Party's fascist anti-immigrant agitation.

This was followed by a frenzy over the relatively common occurrence of ships accidentally dragging their anchors during bad weather conditions and damaging undersea cables.

In a case from December 2024, the Finnish navy observed the oil tanker Eagle-S as it dragged its anchor. Rather than alerting the ship and asking it to raise anchor, they waited until several cables were damaged, then seized it in a helicopter commando raid. Finding no evidence of intentional sabotage, they charged the captain and two officers with criminal mischief and negligence. A Helsinki court ordered all charges dropped and the state to pay legal fees for the defence last year.

In recent months, several explosive Ukrainian drones have crashed in

Eastern Finland in connection with attacks on the St. Petersburg region. Initial efforts to claim that Russia was using electronic warfare to direct the drones against Finland have collapsed, with the Finnish government forced to acknowledge that Ukraine has simply been reckless. Russia has warned that Ukraine may be intentionally using Finnish and Baltic airspace to carry out attacks and threatened retaliation if that is allowed.

On Friday morning, authorities issued an emergency warning to 1.8 million Finns near the Russian border after receiving reports that armed drones were approaching Finnish territory. In the end, they did not cross into Finland and the warning was lifted several hours later.

The pro-war propaganda is pushed by all political parties, from the right-wing government to the opposition Social Democrats and ex-Stalinist Left Alliance.

The Social Democrats and Left Alliance were decisive in mobilizing popular support for Finland's membership of NATO in the aftermath of the US/NATO-provoked Russian invasion of Ukraine. The Left Alliance, which postured as late as the 2019 election against Finland abandoning its long-standing position of neutrality towards the aggressive military alliance, swung dramatically into the pro-war camp in the early months of 2022. The Social Democrat-led government under Prime Minister Sanna Marin initiated Finland's application to join NATO.

Long after Trump threatened to seize and annex Greenland, a move seen by the European imperialist powers as an attack on their interests in the Arctic, Finland signed a €5.2 billion deal to build ice breakers for the US Navy. When the US Navy turned to piracy in the Caribbean and slaughtered fishermen in open war crimes, before kidnapping the Venezuelan president Nicolas Maduro, Stubb wanted to ensure that the world knew he never considered Maduro a legitimate head of state.

Far from protecting Finland, the raging militarism being whipped up by all parliamentary parties from Stubb's NCP to the Left Alliance, and the open alignment with American imperialism, is being used to crush the standard of living of Finnish workers and threatens to destroy them in the US war against Russia and preparations for war with China.

Workers in Finland must respond by linking opposition to austerity with the rejection of militarism and war. This is possible only on the basis of a socialist and internationalist programme, unifying workers in Finland and across the Nordic region with the working class in the rest of Europe and around the world.



To contact the WSWs and the Socialist Equality Party visit:

**[wsws.org/contact](https://www.wsws.org/contact)**