




Comparative Nordic Politics

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- The five Nordic countries – Denmark, Finland, Iceland, Norway and Sweden – are usually grouped together in political science: all of them are relatively small in terms of population, geographically ‘remote’, and their political systems have several similarities, even to the extent that it is common to refer to a Nordic model of politics
- Indeed, Nordic countries are often seen as paragons of stable and consensual democracies. However, there are also significant differences between the countries that deserve closer attention

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- The objective of the course is to introduce students to Nordic politics. After the course the students should be able to understand
 - how the political systems of the individual Nordic countries operate; and
 - how the 'Nordic model' of politics differs from the political systems of other European countries

 - The topics of the lectures are:
 - Nordic societies and political culture
 - Elections and party systems
 - Parliaments and executives
 - Corporatism and the welfare state
 - Security policy
 - Nordic region and European integration
 - Conclusion: a Nordic model of politics?


 - The lectures are followed by a written exam

- **Recommended reading**

- Arter, David (2006): *Democracy in Scandinavia: Consensual, Majoritarian or Mixed?* Manchester: Manchester University Press.
- Arter, David (2008): *Scandinavian Politics Today*. 2nd edition. Manchester: Manchester University Press.
- Bergman, Torbjörn ed. (2004): Parliamentary Democracy in Scandinavia: Shifting dimensions of citizen control. *Scandinavian Political Studies* 27:2 (special issue).
- Bergman, Torbjörn & Strøm, Kaare eds. (2011): *The Madisonian Turn: Political Parties and Parliamentary Democracy in Nordic Europe*. Ann Arbor: The University of Michigan Press.
- Heidar, Knut ed. (2004): *Nordic Politics: Comparative Perspectives*. Oslo: Universitetsforlaget.
- *Scandinavian Political Studies* and *Cooperation and Conflict* (journals)

Nordic societies and political culture


- The Nordic countries are often grouped together – in addition to geographical proximity and belonging to the same language group (excluding Finnish), their political systems and societies are broadly similar
- “Scandinavia” and “Nordic” are used interchangeably in the literature (and also during this course)
- **Population and geography**
- There are currently some 25 million Scandinavians. Yet, unlike some European countries, Scandinavia has continued to see slow but steady population growth, fuelled not only by immigration, but also by relatively “healthy” native fertility rates
- Putting all five countries together, the population is less than one-third of the German population, less than half of that of France or Italy, and not much more than half of Spain


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- The territory across which this population is spread is, however, vast. Sweden is the second largest country of Western Europe, after France but before Spain, and Finland and Norway are not far behind
 - This territory ranges quite far from north to south. A person standing at the southern border of Scandinavia is actually closer to North Africa than to the northernmost reaches of this region
 - Yet, within each of the Scandinavian countries, the population is overwhelmingly concentrated in the south (in Iceland, the southwest). Except for Sweden, this is also where the capital city is located, and each of the Nordic countries is notably monocephalic, in the sense that the capital city greatly dominates all other urban centres – the importance of the centre-periphery cleavage
 - All Nordic countries, with the exception of mainland Denmark, have regions that are rugged, very sparsely populated, and for most people's tastes, desperately cold
 - Lutheran Protestantism is the dominant religion throughout the region. Lutheran tradition: the (state) church played a crucial role in the formation of societies (nation-building)



- **Basic facts about political systems**

- The Nordic countries have long and interdependent histories. Denmark, Norway and Sweden emerged as something resembling nation-states about a thousand years ago
- The Nordic region also has a strong parliamentary tradition
- But – three of the countries are monarchies (Denmark, Norway, Sweden), while Iceland and Finland have a president as the head of the state
- Political parties emerged during the latter half of the 19th century
- Universal adult suffrage was introduced in each country around the time of World War I


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- Parliamentary government was introduced, in most cases, a few years earlier, though in Finland the sequence was reversed
 - Except for Iceland, proportional representation in elections to national parliament was introduced between 1906 and 1919 – Iceland adopted its current electoral system in 1934
 - **Citizen attitudes and participation**
 - The citizens of the (four) Nordic countries place more trust in their national parliament, their legal system, their police force, their politicians, their national government, and in democracy in their own country than Europeans on average
 - Relatively high levels of turnout
 - Trust in efficacy of participation – tradition of “free” churches, temperance movements, unions etc.


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- No real tradition of direct democracy – national-level referenda have mainly been used only in connection with EU matters (particularly in Denmark)
 - They also place more faith in the global organization of the United Nations but are not eager to transfer policy-making powers to international institutions
 - Scandinavians prefer to have most matters decided at the level of the nation-state, with little faith in the European level of decision-making
 - The affinity with the national level as the proper decision-making level for most important political matters is in line with the Euroscepticism that has been the most salient in Denmark, Norway (and Iceland for that matter) and Sweden but also exists among the public in Finland
 - Relative to population size, far more newspapers are published and sold in the Nordic states than in other European countries
 - Openness in administration (access to documents) combined with a very low level of corruption




- **Consensus, compromise and pragmatism**


- Nordic political culture is often categorized as having an emphasis on compromise and consensus
- “No image of modern Swedish politics is more widely celebrated than that of the rational, pragmatic Swede, studying problems carefully, consulting widely, and devising solutions that reflect centuries of practice at the art of compromise” (Anton 1980: 158)
- Iceland is often seen as having a more clientelistic political culture (provision of rewards to voters and parties), probably related to the small size of the country
- At the same time, an exclusive emphasis on consensus provides too narrow a conceptualization of Scandinavian politics. An alternative view emphasizes how politics and society have been shaped by struggles between influential groups and political parties associated with the traditional class struggle

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- Proponents of this “conflict” perspective maintain that compromise emerged from a struggle between a mobilized working class and organized capital
 - At the heart of the compromise are “national agreements” forged between labor unions and organized business in the 1930s. In each of the three Scandinavian countries, the 1930s produced “crisis agreements” between the Social Democrats and the party representing organized farmers. These compromises in the face of economic distress and major social conflict paved the way for consensus democracy. At the same time, they effectively pulled the rug from underneath aspiring fascist movements
 - Social democrats were – with the exception of Iceland – the larger party in these coalitions
 - The Nordic region has traditionally been a stronghold of corporatism

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- **Welfare state and egalitarianism**
 - “Social democratic state” – extensive welfare state model that provides universal benefits to all citizens. These policies continue to enjoy broad support among the electorates
 - “Strong states” with large public sectors – but the differences between the Nordic region and rest of Europe have become smaller, partly because economic recessions have forced governments to introduce cuts (especially in Finland and Sweden)
 - Peasant freeholders: relatively weak role of rich land-owners (no subordination to the feudal order; in Iceland there was no nobility at all)
 - Relatively late urbanization and industrialization
 - *Folkhem*: a home for the whole people – this metaphor replaced class struggle

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- Note: *folkhem* goes beyond the German concept of 'Volk', and is oriented towards a union of all social groups (classes)
 - 'Equality' in the Nordic context goes beyond 'equal opportunities' in the direction of 'alikehood' or 'sameness' (*likhet*)
 - **Local and regional levels**
 - Three tiers of government in the framework of a unitary state – national, regional (county), and local (no tradition of federal power-sharing)
 - Local and regional governments are viewed as extensions of the national-level system (or a part of it) – not so much as autonomous actors that have their own identity and a set of powers
 - Very little debate about local democracy – and much less about regional democracy

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- Level of regional attachment is quite high in the Nordic countries (excluding Finland); particularly so in more peripheral areas (centre-periphery cleavage)
 - Scandinavian countries have directly-elected regional bodies whereas Finland and Iceland do not
 - The number of municipalities has declined throughout the Nordic region
 - There is much talk in all Nordic countries about the 'optimal' size of municipalities – the main worry is that the municipalities should be economically viable. As the municipal councils are largely responsible for providing public services (education, health care), they should also have sufficient sources of income
 - Local governments have broad powers that are largely comparable across the Nordic countries. In Denmark, Norway, and Sweden these powers are shared between the municipal government and the county-level institutions

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- Nordic countries hence display quite high levels of decentralization (in terms of public spending and local autonomy)
 - But, most of the money is spent on implementing national legislation, leaving little freedom of manoeuvre for the local government
 - **Home rule**
 - The territories have extensive autonomy – including their own political institutions (and party systems) and broad policy competencies that cover, among other things, education and economic and social policy
 - Finland: Åland
 - Denmark: Faroe Islands and Greenland. Neither belongs to the EU – Greenland joined the EC with Denmark in 1973 but withdrew in 1985 over a dispute over stringent fishing quotas





Elections and party systems

- **Background**
- Two-party (or two-plus) systems, normally resulting from majoritarian electoral systems, produce better accountability (clearly identifiable winners and losers), but the losing minority is normally denied influence (adversarial politics)
- More fragmented party systems, facilitated by proportional representation electoral systems, in turn produce on average better opinion congruence and more inclusive policy-making (coalition cabinets; consensual politics)
- Nordic party systems are normally seen as leaning towards consensual practices (even though 'bloc' politics has traditionally been quite strong even in the Nordic region)
- Nordic party systems are often noted for their stability (but this has certainly started to change!)


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- The number of parties in Nordic parliaments is relatively high (particularly in Finland and Denmark), at least when compared with most European countries
 - All Nordic countries are characterized by close inter-party co-operation, particularly within parliaments
 - **The development of the Nordic party systems**
 - According to the five-party model, the core of the Nordic party systems consisted of communists, social democrats, liberals, agrarians and conservatives (Berglund & Lindström 1978)
 - Re-stated, there was a bifurcated parliamentary left – a powerful social democratic party flanked by a smaller but stable radical left – and a fragmented non-socialist camp comprising essentially town-based liberal and conservative parties and a farm-based agrarian party


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- Sweden best illustrates the five-party model. The Danish party system also comprised a two-plus-three formation but differed from the Swedish in so far as division on a defence issue generated two liberal parties. Put another way, the nineteenth-century non-socialist left split in 1905 into an essentially Agrarian Liberal Party (*Venstre*) and a Social Liberal Party (*Radikale Venstre*)
 - Minor deviations from the Nordic party system model in Finland and Norway involved a fourth non-socialist party and a two-plus-four structure. In bilingual Finland the Swedish People's Party, the organ of the national language minority, has been represented in parliament continuously since the first election to the unicameral Eduskunta in 1906
 - In Norway the Christian People's Party broke through in 1945 and has boasted representation in the Storting ever since
 - The greatest variance from the five-party model has been in Iceland where the basic formula has been two-plus-two – two non-socialist parties, the Independence Party and the Progressive Party and two left-wing parties, the Social Democrats and People's Alliance. Unlike the Nordic mainland, moreover, the dominant party has not been the Social Democrats but (until 2009) the Independence Party


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- The years after 1945 can be roughly divided into two time periods. First, until about 1970 the five-party model was largely intact, class voting was high and electoral volatility low, and relatively few new parties entered Nordic legislatures
 - After 1970, and particularly following the 'earthquake' elections in Finland in 1970, and in Denmark and Norway in 1973, new parties, mainly protest (populist) and Christian parties entered parliaments, with the legislatures becoming more fragmented
 - Later in the 1980s Green parties won seats in Finland and in Sweden – with the Green League even being in government in Finland from 1995 to 2002 and again from 2007-
 - Overall well over twenty new parties entered the Nordic parliaments for the first time between 1970 and 2011. However, whilst the number of legislative parties has increased, there has been a relatively high mortality rate among the new parties

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- Nevertheless, while the Nordic systems have changed in recent decades, the three main parties in each of the countries – Denmark (Social Democrats, Venstre, Conservatives); Finland (Social Democrats, Centre Party, National Coalition); Norway (Labour Party, Centre Party, Conservatives); Sweden (Social Democrats, Centre Party, Moderate Party) – have by and large maintained their positions throughout the post-1945 period (Sundberg 1999)
 - Significant core persistence should not disguise significant support for new parties, support which has vested the electoral party systems on mainland Scandinavia with increased polarisation and an added dimensionality
 - The space on the traditional left-right continuum has been extended by the emergence of radical right-wing populist parties whilst parties with a strong environmental appeal and those with a strong moral compass cannot readily be located on a conventional left-right spectrum

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- **Cleavages and party families**
 - The left-right dimension has constituted since 1945 the main axis of competition in all Nordic countries (social democrats and former communist parties versus centre-right parties)
 - Secondary cleavages
 - secularization vs. religion (Christian parties)
 - centre vs. periphery (agrarian parties)
 - “independence” vs. EU/globalization (causes divisions within most Nordic parties)
 - Finland is the only country with an ethno-regionalist party, the Swedish People’s Party

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- Social democrats were in a hegemonic or at least dominant position in Sweden, Norway, and Denmark for much of the latter half of the 20th century – but their electoral support has declined quite significantly during recent decades
 - Ties between social democratic parties and trade unions have weakened (but are still relatively strong)
 - The non-socialist bloc has traditionally been more fragmented than elsewhere in Europe due to the strength of centrist agrarian parties in Denmark, Finland, Norway, and Sweden. Apart from conservatives, liberal, agrarian, and also populist or radical right parties compete for votes on the right

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- Various radical left parties were formed after the communist parties lost their electoral strength or split up – the electoral strength of the radical left has declined over the decades. All the radical left (or green-socialist) parties – the Danish Socialist People’s Party, Norwegian Socialist Left, post-communist left parties in Finland and Sweden and the Icelandic Left-Greens – have striven in varying degrees to combine socialism, environmentalism and elements of feminism
 - Green parties are represented in the Finnish Eduskunta and the Swedish Riksdag, but have not been represented in Danish or Norwegian legislatures. The prior existence of ‘left-green’ parties in Denmark and Norway reduced the ‘room’ for a green party and in these two countries green parties have made little headway
 - The (Protestant) Nordic Christian parties are quite different from the central and southern European (primarily Catholic) Christian democratic parties – these parties were established to defend Christian values and to fight secularization (e.g., abortion, alcohol legislation etc.). More recently, however, they have sought with mixed success to broaden their support base and appeal to voters who are not actively religious but none the less adhere to basic Christian standards

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- With the exception of the Patriotic People's Movement (IKL) in Finland, fascist-style parties had a very limited electoral appeal in inter-war Scandinavia. Accordingly, the group of parties comprising the Progress Party (Norway), True Finns, Danish People's Party and Sweden Democrats, that presently boasts parliamentary seats across mainland Scandinavia, represents the emergence of a significant radical right for the first time in the party systems of the region
 - Currently the Norwegian Progress Party is the strongest of these parties, with the True Finns also achieving a major breakthrough in the 2011 Eduskunta elections
 - These radical rightist parties have combined in varying measure a general anti-establishment populism (especially based on the welfare chauvinist thesis that the poor and vulnerable groups in society have been abandoned by the old parties), traditionalism (Christian views on the family, home and a range of moral issues) and ethno-nationalism (Euro-scepticism and backing for a monocultural rather than multicultural society)




- **Decline of parties**

- While turnout remains high, Finland has experienced a dramatic decline in turnout since the 1970s, with also fewer citizens in Norway and Sweden casting their votes in recent elections
- Declining levels of party identification
- Increase in electoral volatility (vote switching from one election to the next)
- An upward trend in the share of voters deciding who to vote for closer to the election day (during the campaign)
- Fewer Nordics belong to political parties – fairly consistent decline throughout the Nordic countries since the 1960s (no real data exists for Iceland)
- Nordic voters are thus becoming increasingly detached from political parties
- These findings are in line with developments in other European established democracies



Parliaments and executives


- All five countries are parliamentary democracies, but Iceland and Finland also have a directly elected president. In both countries the role of the president is currently quite weak (mainly limited to foreign policy and/or having veto or delaying power in legislation)
- **Parliaments**
- All Nordic countries have proportional representation (PR) electoral systems
- All Nordic parliaments are unicameral – Denmark and Sweden abolished their upper houses in 1953 and 1971 respectively
- Nordic legislatures are fairly small in size (the number of MPs). The exception is the Swedish Riksdag that has 349 MPs

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- Nordic parliaments are often categorized as “working parliaments” (Arter 1999) – with committee work emphasized at the expense of plenary debates
 - Criticism of government’s policy takes mainly place behind closed doors in parliamentary committees, where opposition MPs are actively involved in discussions and, to a certain extent, even in shaping government policy
 - Active and regular inter-party cooperation between governing and opposition parties – and also between parties from the left and from the right
 - Cohesive parliamentary party groups – somewhat less so in Finland due to the candidate-centred ‘open list’ electoral system



- **Government formation**

- With the partial exception of Sweden before 1975, only in Finland has the head of the state regularly intervened in government formation
- In Finland the president had wide-ranging constitutional and political powers to influence and even determine government composition, an opportunity that particularly president Urho Kekkonen (1956-1981) used frequently. The last case of strong presidential intervention occurred in 1987, when president Mauno Koivisto overruled a coalition between the Centre and the National Coalition, indicating that a coalition between the National Coalition and the Social Democrats was preferable
- The new Finnish constitution, adopted in March 2000, practically excludes the president from the process, thus bringing Finland into line with the other Nordic countries

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- The investiture vote, i.e. a vote taken in the legislature before a cabinet can enter office is used in Sweden since 1975 and in Finland since 1995, with no vote of investiture required in Denmark, Iceland or Norway
 - In Finland and Iceland it typically takes about a month to form a new government, whereas in Scandinavia the average is only about a week (in Denmark slightly longer, in Norway somewhat shorter). And it is the latter three countries, rather than Finland and Iceland, that are different from the rest of Europe
 - **Types of government**
 - The distribution in the Nordic countries differs from the overall situation in (Western) Europe, particularly regarding the frequency of minority governments – also a higher share of one-party governments (obviously linked to minority governments)


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- Single-party minority cabinets have been common in Denmark, Norway and Sweden
 - Denmark has also had a notably high share of minority coalition governments
 - After the Second World War, minority governments have been in power in Norway and Sweden for approximately 2/3 of the time. In Denmark the share is as high as over 80% of the time
 - Finland is the only country with a tradition of surplus majority governments, while minimal winning coalitions are the norm in Iceland
 - When comparing with other European countries, Finnish governments are outliers in three respects: their parliamentary support, level of fragmentation, and ideological diversity

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- The prevalence of oversized coalitions in Finland is explained by several factors:
 - the fragmented party system and the ensuing need to build workable coalitions
 - the lack of a (centrist) dominant party
 - the Centre Party has held the position of the median legislator, forming coalitions with both parties to its left and its right
 - the legislative decision rule that until 1992 allowed 1/3 of MPs to postpone the adoption of a proposal. Until 1987 this minority of MPs could postpone the final adoption of a law until the next election, with the proposal adopted if a majority in the new parliament supported it. In 1987 the period of postponement was shortened to until the next annual parliamentary session



- **Why minority cabinets in Scandinavia?**


- The deviant Nordic tendency to form minority governments is primarily explained by two factors: the constitutional regulations for government formation and the powers enjoyed by the opposition
- According to Bergman (1993) the five Nordic countries have negative formation rules, that is, the incoming government does not face any vote in the parliament before it commences its term or the decision rule in the vote of investiture is simple majority instead of an absolute majority
- Looking at oppositional influence, minority governments put the emphasis on floor coalitions, with the government needing the support of the opposition in the passage of legislation. Laver and Hunt (1992) asked country specialists to rate the potential impact of the opposition on government policy. Italy topped the list, with the five Nordic countries occupying the next five spots

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- Similarly, Strøm (1990) argues that the strong powers of committees in the Nordic parliaments, especially in Norway, Iceland and Sweden, enable the opposition to influence government policy. Such oppositional power increases the attractiveness of not joining the government and partially explains the frequency of minority governments in the Nordic region
 - For example, in Sweden the Social Democrats ruled from 1994 to 2006 through a series of 'contracts' with opposition parties, including institutionalized cooperation with the Green Party and the Left Party after the 1998 and particularly the 2002 elections
 - In Denmark legislative 'accommodations' – floor coalitions between the government and opposition parties – have become more common and cover basically all policy areas



- **Bloc politics**

- While the left-right dimension has constituted the main axis of competition in all Nordic countries, the nature and intensity of bloc politics differ between countries
- Government formation in Norway, Sweden (excluding 1951-57), and Denmark is based on blocs, with all (Norway) or nearly all (Sweden and Denmark) cabinets including either parties of the right or parties of the left
- Norway has traditionally differed from the other four Nordic countries in the sense that parties make public pre-electoral alliances. The Labour Party has often made it clear before the elections that it shall govern alone and will not enter any coalitions – and in 2005 committed itself to a future coalition with the Socialist Left Party and the Centre Party. Similarly non-left parties have made pre-electoral pacts about governing together

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- But also in Sweden in recent elections (2006, 2010) the four centre-right parties have formed a pact together before the elections
 - No Finnish party is non-coalitionable, and practically any coalition is imaginable before the elections. This means that bloc politics has never been as important in Finnish politics as in the other Nordic countries
 - Between 1995 and 2003, the Finnish governments were so-called 'rainbow' coalitions, uniting five parties right across the political spectrum from the conservative National Coalition to the Left Alliance, the most left-wing party in the parliament. The current Finnish government, formed in 2011, has six (!!!) political parties, with only two parties in the parliamentary opposition
 - The level of party system fragmentation and presence of bloc politics are also reflected in the average number of cabinet parties (between 1945 and 2000), with Finland (3.5) having by far the highest number of government parties. The low figures for Denmark (2.0), Norway (1.8) and Sweden (1.5) reflect the tradition of minority cabinets in these countries




- **Presidents**

- The Finnish and Icelandic political systems are semi-presidential, with the executive functions divided between an elected president and a government that is accountable to the parliament

- Iceland


- Iceland has been semi-presidential since the country became independent in 1944
- The president is elected for four years with no term limits – only five persons have held the position since 1944 and the current president, Ólafur Ragnar Grímsson, has ruled since 1996


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- The role of the president is essentially ceremonial without any real powers in either domestic or foreign policy
 - However, the president does have an indirect veto power in legislation: when bills have been passed by the parliament they are submitted to the president to become effective as law. If the president refuses to approve the bill, it nevertheless takes effect, but must then be subjected to a referendum and becomes invalid if it is rejected
 - Ólafur Ragnar Grímsson is the first president who has used this power – in 2004 over a media ownership law and twice (in 2010 and 2011) in the so-called Icesave dispute





- Finland

- Finland is the oldest semi-presidential regime in Europe (since 1919)
- Until 2000, Finland had a notably strong form of semi-presidentialism. For example, Duverger (1980) ranked Finland highest among the West European semi-presidential systems in terms of the formal powers of the head of state and second only to France in respect of the actual exercise of presidential power
- In the inter-war period the prime minister led the government and the foreign minister assumed primary responsibility for foreign policy. The rules were semi-presidential but the practice was essentially that of parliamentary government, although in the 1930s president Svinhufvud used the authority of the presidential office successfully to meet the challenge of the neo-fascist Lapua movement

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- But the constitution itself left room for interpretation, which the presidents, particularly Urho Kekkonen, used to their advantage
 - The balance between government and president was therefore both constitutionally and politically strongly in favour of the latter until the constitutional reforms enacted in the 1990s, which were indeed in part a response to the excesses of the Kekkonen era (1956-1981)
 - It was customary for the government to resign when a presidential election was held, but the last time this happened was in 1982. In fact, one can argue that under the old constitution, and particularly during the long presidency of Kekkonen, governments were in practice accountable to the president rather than parliament
 - A period of parliamentarisation started in 1982, when Mauno Koivisto took office after Kekkonen. President Koivisto and the political elite in general favoured strengthening parliamentarism and curtailing the powers of the president

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- The significantly greater *de facto* power of the president between the Second World War and the early 1980s was not the consequence of a change in the constitutional rules. Rather, it was the product of three main factors:
 - a fragmented party system that did not facilitate stable government;
 - the pivotal role of the president in maintaining amicable relations with Moscow; and
 - the absence until 1994 of presidential term limits, which enabled Kekkonen to build up a considerable power base
 - For many Finns, Kekkonen's authoritarian presidency, and, in the 1970s in particular the stultifying intellectual climate associated with 'Finlandization', were far less important than the fact that he was seen to deliver security and prosperity

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- Under the old constitution, foreign policy was the exclusive domain of the president. But according to Section 93 of the new constitution 'The foreign policy of Finland is directed by the President of the Republic in co-operation with the Government.', with EU matters belonging to the competence of the government
 - The president therefore directs foreign policy, but does so together with the government (the president meets both the PM and the foreign minister on a regular basis) and through the government's ministerial committee (Cabinet Committee on Foreign and Security Policy)
 - Suspensive veto in legislation: the president can delay the adoption of a law, but the parliament can override presidential veto

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- Although the new constitution reduced presidential powers by narrowing the list of persons the president appoints, the appointment powers of the president are nevertheless still quite formidable
 - The president is elected for no more than two consecutive six-year terms
 - The president has commanded levels of public confidence and support not enjoyed by prime ministers, governments, parliament, or political parties – this is common in basically all semi-presidential regimes
 - The president is understood to be above party politics, looking after the interests of the whole country as opposed to the narrower interests of the governing parties – again this is a rather common perception in semi-presidential countries
 - Obviously one can also argue that the opinions of the citizens are biased by history or political culture: as Finns are used to living in a president-led system, they show less affinity or understanding towards parliamentary democracy


Corporatism and the welfare state


- Both can be interpreted as consensus-building mechanisms
- **Main features of corporatism (compare with pluralism)**
- Collective wage bargaining (including often also other labour market issues)
- Tripartite system: labour – capital – state
- Produces arguably macroeconomic stability, effective labour allocation, and optimal wage levels (both sides modify their claims) – makes outcomes more predictable
- Are collective wage agreements (and corporatism more broadly speaking) advantageous for small countries that face increasing competition in global economy?
- Administrative corporatism
- Various committees – that prepare public policy or give advice to the government – have representation from interest groups



- **Nordic corporatism**

- Nordic corporatism is distinguished by the generally cooperative practices and conduct permeating state/interest group relations and by interest groups' relatively good access to policy-making processes
- Some experts propose that the contractual, cooperative brand of corporatism found in the Nordic countries is determined by demographics and culture
- The Nordic countries are relatively small and ethnically homogenous. Nordic peoples, exhibit strong preferences for income equality, generous and universal welfare state benefits, and consensual bargaining in relations among state, capital, and labour interests
- Corporatism is strongly associated with social democracy that grew in tandem with trade unions – 'welfare state capitalism', 'social democratic state'


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- Most observers agree that the two or three decades following World War II constituted the height of Scandinavian corporatism – these were the years when the welfare states in Scandinavia were established (an increasing share of the labour force employed by the public sector)
 - All Nordic systems are in comparative terms highly corporatist
 - For example, according to a comparative study of 24 industrial democracies by Siaroff (1999) – where he deployed a scale ranging from a theoretical high of 5 (corporatist) to low of one (pluralist) – Norway (4.86) was the second most corporatist country, followed by Sweden (4.67). Denmark (3.55) came fifth, with Finland (3.30) occupying the seventh place. The average for the twenty-four countries was 2.65
 - Corporatism is pervasive. It varies in intensity across policy sectors but corporatist traits can be found in more areas of Nordic policy making than existing studies would have us believe


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- But: gradually moving towards decentralized wage bargaining (to the level of individual unions) and to less comprehensive consultations with trade unions and other interest groups – e.g., in Sweden, Denmark, Finland and Norway
 - Interactions between the state and the interest groups are becoming less formal (this applies particularly to making public policy)
 - Hence interest groups have needed to resort increasingly to (pluralistic) lobbying. Lobbyism has increased quite sharply in the Nordic region (and also across Europe) – more organizations competing for influence, more actors to lobby (notably the EU)
 - Note, however, that consultation with affected interests remains firmly in place in the Nordic countries




- **The welfare state**

- The Nordic countries usually scores high on indicators such as economic growth, income distribution, well-being, and particularly gender equality
- Nordic women have reached a higher level of equality with men than in most other European countries, and this is arguably explained by the Nordic welfare model. In general women score high according to their educational level, economical activity, and political and cultural participation, compared to many European countries
- The high level of female employment: generous maternity benefits, the organization of day-care facilities etc.
- An active government is often seen as the explanation for this 'success' – active meaning that the government redistributes income and is a major actor in economic policy


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- But: extensive welfare state provisions are not possible without a well-functioning (market) economy – generating the income
 - The welfare state as a political regime – a broad political compromise between the state, the labour movement, and the private sector
 - Comprehensive policies – providing (universal) benefits to citizens: universalism as a principle means that (basically) all citizens are entitled to benefits regardless of the level of income
 - Welfare state as an equalizer. Global programmes are preferred to selective ones; free public education for all with a standard high enough to discourage the demand for private schools, free or cheap health care on the same basis, child allowance for all families with children rather than income-tested aid for poor mothers etc.

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- A relatively high proportion of the labour force (particularly women) is employed by the public sector
 - The welfare state model reflects – and is partially based on – the dominance of social democratic parties that modified their goals
 - There has so far been broad political support for the welfare regime – including support from right-wing parties. Women, pensioners, public sector employees and the less educated are the strongest supporters
 - Consensual element – produces convergence on the left-right dimension about economy and social policy

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- But: support for the welfare state is declining. In particular, there is evidence that the electorate seems to prioritise tax cuts ahead of maintaining the current level of public services
 - Income differences between different occupations have normally been quite modest throughout the Nordic region, but also income distribution is becoming gradually less equal
 - The public is also increasingly using the private sector (especially in health care)
 - Is welfare state a positive factor in the global economy? Providing a stable economic and political environment, well-functioning education (and health care) systems
 - EU's 'social policy' is mainly limited to occupational health issues; the EU does not have the competence to decide on 'welfare state' matters – nor will it have


Security policy


- Security policy = foreign policy and defence policy
- Unthinkable that the Nordic countries should use force against one another
- Last actual war between two Nordic countries was the Norwegian-Swedish war of 1814 – resulting in victory for Sweden
- The region has not always been this peaceful: Denmark (which controlled Norway) and Sweden (which controlled Finland) fought seven wars between 1563 and 1720
- The Great Nordic War (1709-1720) pitted Sweden (and Finland) against Denmark (and Norway) and Russia – ending Sweden's period as a great power

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- Security issues have always featured very prominently on the political agendas of the Nordic countries
 - Geographical location between the East and the West during the Cold War + proximity to Russia
 - But – the formation of national security policy is primarily based on a search for broad consensus
 - Once adopted, the basic policy solutions have proven stable, with change of government typically not resulting in policy change

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- **Cold War (late 1940s-early 1990s)**
 - Finland's independence was very much on the line – not only during the wars (1939-40, 1941-44), but also in the immediate post-war years
 - Objective: to achieve the maximum level of internal autonomy while living in the shadow of the Kremlin – Finland had to assure the Soviet leaders that its territory would not be used to attack the Soviet Union
 - 1948: Finland and the Soviet Union signed the Treaty of Friendship, Cooperation, and Mutual Assistance (FCMA)
 - Sweden was not directly involved in the war; in fact, the country has not been in war since 1814

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- Denmark and Norway, on the other hand, were occupied by Nazi Germany
 - Denmark, Sweden and Norway initially wanted to pursue a policy of non-alignment – they even considered forming a Scandinavian defence pact
 - The aggressive policy of the Soviet Union, including the coup in Czechoslovakia in 1948, created fears among the Nordic countries
 - Denmark, Iceland, and Norway became founding members of the North Atlantic Treaty Organization (NATO) in 1949
 - The decision to join NATO (and to stay in the organization) was taken in Denmark and Norway by social democratic governments whose leaders faced severe internal opposition

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- Sweden opted for non-alignment – its territory was perceived to be strategically not that important, and it feared that forming too close links with ‘the west’ might make the Soviet Union take action against Finland
 - Norwegian territory, with its long coast line that includes a border with the Soviet Union, was obviously of higher strategic importance. Denmark’s decision was influenced by its geographical proximity to central Europe
 - Norway and Denmark both had special clauses in their NATO memberships. Both countries insisted that NATO could not establish permanent bases or base nuclear weapons on their territories; in addition, Norway placed restrictions on the use of its soil for NATO’s military exercises (particularly about carrying out such exercises close to the Soviet border)
 - While officially neutral, Sweden did in fact have throughout the Cold War close links with the West, including military cooperation


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- Throughout the Cold War, both the political elites and the public were in favour of the solutions. For example, in Norway, support for NATO membership was consistently around 90 % while the Finns and Swedes were firmly behind the policy of non-alignment
 - Overall, the central objective of all the Nordic countries during the Cold War was to lower tensions in the region
 - Following the demise of the Soviet Union, the situation changed dramatically (and almost overnight)
 - Now the Nordic countries (most of all Finland) had far more freedom to decide what policies to pursue (also more domestic debates)
 - At the same time the world had become effectively unipolar, with the United States the only real military superpower. Perceived threats were now increasingly ambiguous and posed by non-state actors (terrorism)



- **After the Cold War**

- Finland


- FCMA was abolished in 1991
- During the Cold War, Finland had not been seriously able to consider joining European integration (beyond associate membership of the European Free Trade Association (EFTA))
- Finland applied for EU membership in 1992, joining the Union in 1995
- Since then Finland has become the most 'integrative' of the Nordic EU countries, and has both joined the Eurozone and been an active participant in the development of the EU's common foreign and security policy (CFSP)

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- Finland joined the EU for both economic and security reasons
 - With the disappearance of the Soviet threat, the entry of EU on to the domestic political agenda, and the reductions in the powers of the president, security issues have become the subject of much more intensive domestic debate
 - The president is still under the new constitution (which entered into force in 2000) in charge of foreign policy, but shares that leadership role together with the government – with EU issues almost exclusively the domain of the government
 - The old policy of neutrality (or non-alignment) has effectively been abandoned
 - In addition to becoming an active player in the development of EU's security policy, Finland has moved closer to NATO (Partnership for Peace, interoperability with NATO)
 - But, actual NATO membership is still a fairly distant prospect – not least because the public opposes it



- Denmark and Norway


- Both countries were often criticized for 'free riding' during the Cold War in NATO – reaping security benefits while keeping their military contributions small
- Denmark had joined the European Community already in 1973 – primarily for economic reasons, as NATO already gave it security guarantees
- In the EC/EU, Denmark has been a hesitant member – with the 'Edinburgh exemptions' including opting out of CFSP and the Euro
- In contrast, Denmark has transformed its role in NATO to that of a more positive partner – even taking part in the Iraq war in 2003
- Norway continues to see NATO as the best mechanism for providing security

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- Sweden
 - Sweden joined the EU in 1995 – like Denmark, primarily for economic reasons
 - Swedish governments have sought to continue the policy of non-alignment, but this has (arguably) proven difficult in the unipolar world
 - Public opinion is firmly against NATO membership
 - As in the case of Finland, Sweden has become an active participant in the development of CFSP and has moved closer to NATO through taking part in Partnership for Peace and interoperability with NATO – this way both countries can be active in international security cooperation without directly compromising their national security policies



Nordic region and European integration


- The Nordic region is usually associated with Euroscepticism, with the Nordic people less supportive of integration than the citizens of the EU as a whole
- This Euroscepticism is usually explained by the affluence of the region that together with the egalitarian welfare state model make the Nordics less interested in transferring policy-making powers to the European level
- Much of the Nordic Euroscepticism centres around the welfare state – Nordic Eurosceptics believe that European integration poses a serious threat to the provision of efficient public services, social and gender equality, and the corporatist agreements. The argument thus is that the Nordic model is not only different, but also superior
- Reflecting the protestant political culture, concepts such as nation-state and national sovereignty have also traditionally occupied a more central place in the discourse of the Nordic polities than in the Central and Eastern European EU countries

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- Participation in the EC/EU has undermined Nordic integration
 - Nordic co-operation has been channelled through two (essentially consultative) organisations: the Nordic Council and the Nordic Council of Ministers
 - This Nordic cooperation will continue – but its importance will also continue to decline, not least because many of the main achievements of the Nordic Council (e.g., passport-free zone) are nowadays regulated by the EU

 - Denmark

 - Denmark joined the EC in 1973 (primarily for economic reasons)
 - Denmark has since joining the EC shown notable reluctance towards deepening integration


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- The Danes rejected the Maastricht Treaty in a referendum in 1992, but voted in favour of the Treaty a year later after having negotiated major opt-out clauses – these “Edinburgh exemptions” concern the security and defense policy, the single currency, EU citizenship, and cooperation in judicial and police affairs. The Danes also rejected the Euro in a referendum held in 2000
 - Finland
 - Finland joined the EU in 1995 both for economic and security reasons
 - Finnish governments (and the political elite in general) have been consistently in favour of deeper integration. Finland is also the only Nordic country that belongs to the Eurozone
 - The main Finnish parties have been in broad agreement about national EU policy that has consistently supported deeper integration, with the basic logic being that only a strong and efficient EU can guarantee the interests of smaller member states


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- But public opinion is more cautious about integration, and this opinion gap between the citizens the parties may partially explain the rise of the True Finns, the only solidly Eurosceptical party in the Eduskunta
 - Iceland
 - Iceland has since 1992 been a member of the European Economic Area (EEA) – which allows it to participate in the single market (excluding agriculture and fisheries) without having to join the EU (but also without the right to really influence decisions).
 - After an economic crisis hit the country, Iceland applied for EU membership in July 2009 and actual membership talks began in June 2011
 - The most contentious issue for Iceland is the loss of control over natural resources, notably fishing grounds due to the Common Fisheries Policy of the EU




- **Norway**

- Norwegians have twice voted in a referendum against EC/EU membership (1972, 1994)
- Norway is since 1994 a member of the EEA
- EU membership question is regularly raised in the national debate – and the membership question has proven highly sensitive in the Norwegian society
- Following the rejection of EU membership in the referendum of 1994, the then government declared that there would be no new initiative in this respect for at least ten years, and the current Labour government will most likely not apply for membership during its term in office

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- Reasons for opposing membership
 - Healthy economy – revenue from oil, low unemployment
 - Welfare state
 - Potential damage to fisheries and regional policy
 - NATO already provides security guarantees
 - **Sweden**
 - Sweden joined the EU primarily for economic reasons

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- Swedish EU policy could be described as cautious and hesitant, with the Swedes rejecting the single currency in a referendum in 2003
 - Immediately after the membership referendum support for integration among the public declined, and has only reached the levels of Denmark and Finland in the last couple of years
 - This EU critical public opinion was the main reason why the Social Democratic government that was in favour of Sweden joining the EMU decided against Sweden's participation in the single currency area from the start of 1999
 - Most parties are divided over further integration, none more so than the Social Democrats that ruled the country between 1994 and 2006 as a one-party minority government

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- **Formulating national EU policy**
 - Overall the national coordination systems in EU policy in the three Nordic EU countries are based on wide consultation among both public and private actors
 - The overriding goal of national EU policy coordination seems to be “to create decisions and policies reflecting national consensus or broad compromises. National unity in European affairs, including during the various stages of the decision-making process, is considered vital to the achievement of the best possible policy outcomes.” (Damgaard 2000a: 168; see Bergman & Damgaard eds. 2000)
 - But: note that Finland has been notably more supportive of EU’s supranational institutions (Commission, European Parliament, majority voting in the Council etc.) than Denmark or Sweden



Conclusion: a Nordic model of politics?

- **Two basic questions**
- Are the Nordic countries sufficiently similar for a Nordic model to exist?
- Are the Nordic countries consensual polities?
- **Identifying a Nordic model**
- 'Middle Way' (book by Childs, published in 1936, on Sweden):
Between capitalism and socialism – with the capital and labour working together
- Key elements of the Nordic model: strong labour movement, collaboration between capital and labour, political compromise, and pragmatism
- Other authors stress properties such as the welfare state, corporatism (collective wage negotiations), and the consensual nature of Nordic polities

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- Seven key features of an 'ideal' Nordic model of government (Arter 1999: 146-149)
 - 1) Dominant or strong social democratic parties
 - 2) Working multi-party systems
 - 3) Consensual approach to policy-making
 - 4) Consultation with pressure groups
 - 5) Centralized collective bargaining
 - 6) An active state
 - 7) Close relations within political elite producing pragmatism

 - **Argument:** there are significant differences between the five Nordic countries, but there are also enough similarities for a Nordic model to exist. The Nordic polities are also, at least in comparative terms, consensual



- **Party systems**

- The dominance of social democratic parties has gradually given way to more fragmented party systems (note: social democratic parties are strong also outside of the Nordic region – e.g., in Germany, Great Britain, and Spain)
- Electoral volatility (switching parties between elections) has increased, with also new parties entering the Nordic parliaments from the 1970s onwards (this has likewise also happened elsewhere)
- The tendency to form minority governments in the Scandinavian countries produces more interaction between the government and the opposition
- Also in Finland and Iceland party and parliamentary politics are not that adversarial, with regular cooperation between political parties

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- Parties face similar difficulties as elsewhere in Europe – declining turnout and party memberships, lower levels of party identification etc.
 - The rise and longevity of populist ‘radical right’ parties in Denmark, Norway and Finland
 - **Policy-making**
 - Decision-making is preceded by extensive consultation with relevant interest groups
 - Government’s initiatives are processed behind closed doors in parliamentary committees – plenary debates perform a minor role (‘pragmatism’ instead of ‘ideological’ debates)

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- The formulation of foreign and EU policies are notably based on search for broad elite consensus
 - Corporatism is still very much alive – even though globalization and other factors do put increasing pressure on centralized wage negotiations
 - The welfare state has been somewhat scaled down, but its basic policies remain intact – and continue to enjoy high popularity among the Nordic peoples
 - The Nordic political systems are based on a low level of transparency – with negotiations between the actors almost always taking place behind closed doors (in the government, in parliamentary committees, centralized wage talks)
 - This may facilitate efficient problem-solving, but it also weakens the transparency of the policy process and arguably also the accountability of politicians