



Denmark Report

Finn Laursen, Torben M. Andersen,
Detlef Jahn (Coordinator)

Sustainable Governance
Indicators 2018

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Executive Summary

Democracy functions well, and governance is credible and transparent in Denmark. Public trust in government and public administration is high. Comparatively, Denmark is extraordinary for having achieved a relatively strong economic performance (e.g., as measured by per capita income), but also a relatively equal distribution of income and low poverty rates. The Danish welfare state is extensive both in terms of service provision and the social safety net. Though this translates into a high tax burden. Overall, Denmark has shown that it is possible to combine an extensive welfare state with a well-functioning economy.

The economy has now fully recovered from the Great Recession. Current levels of activity and unemployment are close to their structural levels, and public debate is increasingly focusing on possible bottlenecks in the labor market. Key macroeconomic indicators are favorable and perform comparatively well. Key economic policy debates focus on increasing labor supply, integrating immigrants and the provision of welfare services (e.g., education, and social and health care).

In an attempt to strengthen the incentive structure, and boost labor supply and employment, both the previous and present governments have had strong reform agendas. These agendas have aimed to overhaul the structure and design of the social safety net (e.g., pensions, early retirement, social assistance and disability pensions), labor market policies and the tax system. Higher labor supply and employment is an objective in itself, but also improves public finances through both lower government spending and higher tax revenue. This reform strategy obtained broad support in comparison to alternative strategies involving tax increases or spending cuts. The reforms will ensure the fiscal sustainability of current welfare arrangements. Denmark is among the frontrunners in terms of addressing the challenges to fiscal sustainability arising from an aging population.

All of the previously mentioned reforms were based on work by parliamentary commissions, an important policy instrument in a country with a strong consensus tradition that has mostly been governed by minority governments. Even so, the reform of the country's unemployment insurance scheme has been controversial and has again been reformed following proposals from a commission.

The country's significant strengths notwithstanding, several issues are high on the political agenda. First, Denmark ranks among the top OECD countries with regard to educational expenditure, but scores lower on various indicators of educational performance. Recently, this led to educational reforms that increased curricular demands and improved teacher training. Second, the public sector (mainly municipalities) has experienced increased strain in relation to service provision. Many citizens have found that standards lag behind their expectations, but tight finances have made it difficult to improve services.

Third, immigration and the integration of immigrants remains controversial. The general trend, with broad parliamentary support, has been toward increasingly strict immigration rules and further tightening is currently being considered. Moreover, the new Liberal government reformed social assistance for immigrants, introducing differentiated levels of social assistance depending on the period of residence (applying for migrants coming from outside European Union), to restrict access to welfare payments.

Finally, Denmark's engagement in international politics remains a controversial issue. This debate applies to foreign policy in general, and military operations in Afghanistan and Iraq in particular. As these earlier military operations were being phased out, Denmark joined the international coalition against the so-called Islamic State (IS) in Iraq and Syria. The country's position vis-à-vis the European Union also remains a contested issue. It is an implicit political arrangement that all essential EU decisions are put to a referendum. A December 2015 referendum confirmed the Danish opt-out position on justice and home affairs. A special agreement on Danish cooperation with Europol was reached in April 2017.

Key Challenges

Having a small and open economy, Denmark has a long tradition of meeting the challenges posed by international integration and globalization, and has shown a capacity to enact needed reforms to reconcile an extensive welfare state with a well-functioning economy. Comparatively, Denmark is favorably positioned with regard to adaptability and the enactment of political reforms to address challenges, despite sometimes delaying and deferring such reforms. A tradition of open dialog, cooperation and broad-based reform goals contribute to the country's adaptability. Trust between different actors and societal groups, often referred to as "social capital," has also been an important factor. However, to remain among the leading industrialized nations, Denmark must continue to monitor its policies and institutions. Additional changes and reforms will be necessary.

The following briefly lists areas of crucial importance to Denmark and outlines where policy initiatives are needed:

First, the government must address possible bottlenecks in the labor market, and address the challenges presented by technological changes (e.g., automatization) and globalization. This has revitalized the debate on whether the education system is sufficiently equipped to supply the type and quality of education needed by the private sector.

Second, due to low productivity growth in the private sector, the economy's growth potential is an issue. In addition, given the relative size of the public sector, improving government efficiency and productivity will be an important task.

Third, although comparatively inequality is low and social cohesion is high, Danish society is trending toward more disparity and inequality. A particular challenge involves the integration of immigrants and other marginalized groups into the labor market, which is often difficult due to insufficient job qualifications.

Fourth, while the long-term financial viability of the welfare state despite an aging population has largely been ensured by a recent series of reforms, fiscal challenges remain due to increasing demands on welfare services in general and health care in particular. In the design of welfare policies, it is important to balance concerns for equality and social insurance with incentives for

education and work. The hallmark of Danish society has been its balance between low inequality and an extensive public sector, and a well-functioning economy with high-income levels. Reconciling these objectives remains an ongoing challenge.

Fifth, Denmark, with its small yet open society, has a long tradition of being an active participant and partner in international political cooperation. At the same time, there is a strong desire within society to establish “arm’s length distance” over certain issues, both to underline Denmark’s independence and prevent the country’s marginalization in international forums. As a result, the Danish debate on the European Union has always been somewhat fragmented and not always comprehensible to foreign observers. A case in point are the four Danish opt-outs included in the Maastricht Treaty. European Monetary Union membership remains a very delicate subject since the referendum in 2000. Denmark is not a member, but pursues a tight, fixed exchange rate policy to the euro. This peg has been very credible, as reflected in a very small (and in some periods negative) interest rate spread. Denmark is, in this sense, a shadow member of the euro zone, although it is not directly represented in the supranational executive bodies. The recent referendum on justice and home affairs cooperation confirmed Denmark’s “sideline” participation in EU cooperation.

Overall, both the previous and current governments have set ambitious strategic targets. Various policy plans signal a political awareness of the country’s structural problems. Dealing with these challenges is a work in progress.

Policy Performance

I. Economic Policies

Economy

Economic Policy
Score: 9

The economy has now fully recovered from the Great Recession, and the difference between actual and capacity output (the output gap) is zero. Employment has been growing and unemployment is close to the structural level, which is comparatively low.

Growth in GDP is projected to be above 2% for the coming years, and thus comparable to growth in many other OECD countries. There have been some discussions about whether Denmark was lagging behind other OECD countries in terms of productivity growth, but recent revisions indicate that Denmark is close to the international trend. However, productivity growth rates have been declining and improving productivity growth remains a challenge.

Despite the long recovery process, long-term unemployment has not increased dramatically, and youth unemployment is also low in comparative perspective. While many have been affected by unemployment, most unemployment periods have been short. The overall level of job inflows and outflows has thus remained high during the crisis, showing that the flexicurity model is still intact.

Public finances are meeting budget norms, although only by a small margin some years. Fiscal policies are considered sustainable in that they are able to cope with an aging population. This is mainly due to the significant importance of mandated labor market pensions and recent reforms increasing statutory retirement ages.

Economic policy discussions have changed focus from crisis management issues to political debates about tax decreases versus welfare. Increasing productivity growth is a key issue, which brings up questions concerning education, research, industrial and tax policies. Moreover, how to increase and support labor supply,

and thus employment, remains a central issue, alongside challenges faced by the welfare systems and how to make the public sector more efficient. The liberal government launched a so-called 2025 plan addressing these issues and the new coalition government put forward a revised plan in May 2017. After failing to win sufficient political support for raising the pension age further, several measures were proposed to encourage young people to enter the labor market earlier, reduce the number of people on public support, incentivize people to stay in the labor market longer, increase the number of work hours and recruit well-educated foreign workers.

Immigration remains a contested issue, and various measures have been taken both to reduce the inflow and to reduce the welfare entitlements of migrants. The UK's Brexit decision is one of the elements creating a certain degree of uncertainty for the Danish economy.

Citation:

Danish Economic Councils, The Danish Economy, Various issues. Latest issue: Autumn 2017 report, <https://dors.dk/vismandsrapporter/dansk-oekonomi-efteraar->(Accessed 4 December 2016). English summary available at: https://dors.dk/files/media/rapporter/2017/E17/english/e17_english_summary.pdf

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Labor Markets

Labor Market
Policy
Score: 8

The Danish labor model has become known as "flexicurity," referring to the fact that it is not costly to fire employees and that the social welfare state will provide income support and active labor market policies incentivizing an active job search and if needed, providing training to help workers find employment.

This model has been severely tested by the financial crisis. The model is not a safe-guard against business cycle fluctuations, including a drop in employment caused by a fall in aggregate demand. Thus, the question is whether its main performance characteristics (i.e., high turnover, etc.) have been maintained. Indeed, a high level of turnover still characterizes the Danish labor market, implying that many are affected by unemployment, but most unemployment

spells remain short. Consequently, the burden of unemployment is shared by a larger group and although there has been an increase in long-term unemployment, it is not dramatic when seen in relation to the fall in employment. The transition rate from unemployment into employment is thus the highest in the European Union, which facilitates the labor market entry of youth.

Wage formation has proven rather flexible and adaptable to the economic situation. Wage competition, which declined during the boom period prior to the crisis, has recovered. Furthermore, low wage growth, despite falling unemployment, can partly be explained by migrant worker flows. The main challenge in the Danish labor market remains among groups with limited qualifications. Since minimum wages are relatively high, it is difficult for individuals with limited qualifications to find stable jobs.

The specifics of Denmark's labor market policy have been changed frequently in light of political discussion, experience and research results. The active labor market policy is a key element of the Danish labor market model and absorbs many resources, as a result it is continuously debated. Following recommendations from the Kock Group, a recent reform offers less rigid participation rules for programs aimed at better matching the characteristics of the individual with the needs of the labor market. The social assistance scheme has changed to ensure that young people (below the age of 30) attain a labor market relevant education rather than receiving passive support. Additional work incentives for other groups on social assistance include both a cap on total transfers and an employment requirement to maintain support. Active labor market policies have become less rigid, but it is debatable to what extent these policies are sufficiently used.

A controversial issue is whether the economic incentive to work is sufficiently strong: "does it pay to work?" Reforms of both the social assistance scheme and the tax system have been implemented to increase gains from work, and further initiatives are being discussed.

Citation:

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Taxes

Tax Policy
Score: 8

The extensive welfare state is funded through a tax burden above 50% of GDP. This is among the highest within the OECD, although it should be kept in mind that unlike many other countries, all transfers in Denmark are considered taxable income. The tax structure differs from most countries in that direct income and indirect (VAT) taxation serve as the predominant taxes, while social security contributions play a modest role.

Large and small tax reforms have been implemented over the years following an international trend of broadening tax bases and reducing marginal tax rates (implying less progression). Decreasing income tax rates have, to a great extent, been financed by broadening the tax base, especially by reducing the taxable value of negative capital income (the majority of house owners have negative capital income because of mortgage interest payments). In 2004, an earned income tax was introduced to strengthen work incentives. Environmental taxes have also been increasingly used.

An important issue in policy design is tax competition. This has led to reduction of some excise taxes to reduce “border” trade. Corporate tax rates have also been reduced from 50% in 1986 to 22% at present, although the tax base has been broadened.

A recurrent issue in tax debates has been the role of the so-called tax freeze introduced by the previous government and, which, among other things, has implied a freeze of property taxes (the taxation of the user value of owner-occupied housing based on the current value of the house). This tax freeze was a contributing factor to the house price boom prior to the financial crisis. In 2017, a “house-tax” reform was approved. The new tax system will be based on an assessment of property values and the statutory tax rate will be lowered. A number of transition rules are associated with the reform to ensure that no home owner will experience an increase in tax on their property.

Further reductions in labor taxation are being discussed, but political views differ whether they should target low-income groups, or high-income groups (lowering the top marginal tax rate). The government’s policy is to reduce taxes, but it is unclear at the moment what tax reductions will be supported in parliament. It is an open question whether the government’s proposed tax reductions are well targeted and will address the most important problems under the present tax system.

The government has concluded that it has a financial space of DKK 36 billion. Of this, the government has proposed reducing direct and indirect taxes by DKK 7 billion.

Citation:

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Budgets

Budgetary Policy
Score: 9

Budget policy is guided by fiscal norms: i) the actual budget deficit must not exceed 3% of GDP, ii) public debt must not exceed 60% of GDP and iii) the planned structural budget balance must not display a deficit greater than 0.5%. These norms are part of EU-rules and Danish budget law.

Fiscal policy has satisfied these norms, although in some cases it has come close, and maintained its budget due to ad hoc measures like forward lifting revenue from pension taxation. Both the current balance and the structural balance have been close to the limits. The actual budget deficit is projected to be less than 1.4% and the structural budget deficit to be 0.5% in 2017. (Though the structural budget deficit cannot exceed 0.5% according to the budget norms). Satisfying the budget norms has been a binding constraint in economic policy for several years.

Analyses from both the Ministry of Finance and the Economic Council show that the criterion for fiscal sustainable public finances is satisfied. This is largely the result of a number of reforms aimed at increasing the labor supply and employment by increasing the retirement age (both early retirement and public pensions), reducing the early retirement period (from 5 to 3 years), and various other reforms of disability pensions, social assistance and study grants.

In short, when compared to other OECD countries, public finances in Denmark are in relatively good shape. Still, analyses of fiscal sustainability show that the structural balance will display deficits for the coming 35 to 40 years. Although surpluses are expected far in the future, implying that the country’s fiscal sustainability indicator looks reasonably favorable (and among the best within the European Union), it is very risky to base economic policy on a trajectory implying systematic deficits for such an extended period. There is thus an issue with the profile of public finances that needs to be addressed. Moreover, it

should be noted that an assessment of fiscal sustainability considers whether it is possible to maintain current welfare arrangements, but does not include room for improvements in, for example, the standards and qualities of welfare services (e.g., health). Hence, some pressure on public finances can be expected.

In his opening speech to the parliament on 3 October 2017, Prime Minister Løkke Rasmussen adopted a generally positive view of the economy and mentioned that there was extra financial scope in the public finances of DKK 36 billion. The government proposed spending DKK 5 billion on public investments, including motorways, DKK 7 billion on reducing direct and indirect taxes, and some of the remaining money on strengthening the police and armed forces, investing in public safety and welfare, and improving health care and elderly care.

Citation:

Danish Economic Councils, The Danish Economy, Various issues. Latest issue: Autumn 2017 report, <https://dors.dk/vismandsrapporter/dansk-oekonomi-efteraar->(Accessed 4 December 2016). English summary available at: https://dors.dk/files/media/rapporter/2017/E17/english/e17_english_summary.pdf

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Research and Innovation

R&I Policy
Score: 8

Among OECD countries, Denmark has the fourth highest ratio of public R&D spending to GDP, second highest ratio of researchers to overall population (after Israel) and seventh highest submission rate of patent applications. These factors suggest that there is scope for Denmark to improve its competitiveness in the future.

The target for R&D investments is 3% of GDP. This figure was actually reached in 2009, with 1.02% public and 2.1% private research investments. Since Danish businesses are less innovative than foreign competitors, the Social Democratic-led government took various initiatives, including the creation of a Business Innovation Fund as well as a Globalization Fund.

The Liberal government that came to power in June 2015 set a target of 1% of GDP for publicly funded research. As part of the government's recent fiscal bill, public expenditure on research and education was cut. Spending was reduced in 2016, while further cuts are planned for 2017 to 2020. Public debate about these cuts has been vivid, particularly regarding how these cuts relate to the

government's aim to strengthen productivity and increase competitiveness.

Denmark scores reasonably high in international comparisons on competitiveness. Denmark is ranked 12 out of 137 countries in the latest 2017 – 2018 Global Competitiveness Index (3 in 2008 and 15 in 2013 – 2014). Denmark continues to score reasonably well on higher education and training (ranked 6) and labor market efficiency (ranked 10).

The current three-party government includes a minister for public sector innovation based in the Ministry of Finance.

Citation:

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Produktivitetskommissionen: www.produktivitetskommissionen.dk

Global Financial System

Stabilizing
Global Financial
Markets
Score: 8

In the wake of the global financial crisis, various banking “packages” were implemented. In the first stage, the aim was to support the liquidity and functioning of the system, and in the later stage, to ensure a smooth adjustment in the financial sector. The overall policy was guided by a principle that the state must regulate the sector, but the sector itself must cover the costs. A number of small and medium sized banks have been merged (and a few closed) as a result, but with no fiscal implications (i.e., the main principle was bail-in mechanisms).

Regulation of the financial sector is being changed in accordance with EU-rules and regulations. Financial institutions of systemic importance are subject to specific requirements. The financial supervisory authority plays an important role and has been increasingly proactive. A systemic risk council monitors and surveys developments in the financial sector.

An open question is whether Denmark should participate in the European banking union. The governor of the Danish central bank, Lars Rohde, has on various occasions spoken out in favor of Danish participation in the banking union. Jörg Asmussen, a member of the Executive Board of the European Central Bank, has advised Denmark to join. In April 2015, while in opposition, Lars Løkke Rasmussen (the current prime minister) said that it would be in Denmark's interest to join the banking union, but that he saw no urgency. There hasn't been much debate in Denmark since 2015 about joining the banking union, but the current three-party government has initiated a committee to assess

the advantages and disadvantages of joining the banking union. Minister of Business Brian Mikkelsen seems in favor, arguing that it will attract investment, but the government's parliamentary support party, the Danish People's Party, remains skeptical.

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II. Social Policies

Education

Education Policy
 Score: 7

Education spending in Denmark is among highest in the OECD, but educational outcomes are vividly discussed. Traditionally, Danish pupils have not scored well on the Program for International Student Assessment (PISA) problem-solving tests. However, Denmark made some progress in the 2015 PISA results, scoring above the OECD average in science, mathematics and reading. This was an improvement over the past where Denmark's overall score was around the OECD average. Though there remains scope for improvement.

These improvements are partly attributable to recent reforms, including reforms to the primary and lower-secondary school systems. A major reform in 2013 granted more discretionary power to the school principal to allocate teacher resources and keep pupils in school for more hours. Since 2014, school days

have become longer, there is more assisted learning, there are more lessons in Danish and math, and the teaching of foreign languages has been strengthened (English made compulsory from level 1, German and French from level 5). To strengthen the continued development of teachers' competencies the government has allocated one billion DKK from 2014 to 2020.

The government set the target that 95% of young Danes should complete a general or vocational upper secondary education program. According to the most recent forecasts, this goal is close to being reached (the prediction is 93% for the current cohort). However, it should be noted that the goal is formulated in terms of education level achieved 25 years after having left primary school, in which sense the target is not very ambitious.

One problem is the fact that immigrant students score markedly lower than Danish students, a problem particularly pronounced among boys. However, second-generation students do relatively better than first-generation students, especially girls.

Vocational and university educations have also been on the political agenda. In February 2014, a broad political agreement was reached focusing on better and more attractive vocational education and training. In October 2017, the government reached an agreement with labor market stakeholders to allocate DKK 2.5 billion to adult education and training. Universities have been under pressure to shorten the length of study and channel students into educational programs oriented toward business.

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Social Inclusion

Social Inclusion
Policy
Score: 8

Measured in terms of inequality and poverty, Denmark has a high degree of social cohesion and the country is fairly egalitarian.

There is ongoing discussion on various marginalized groups, especially the number of working age people who receive public support (about 700,000 to 800,000 persons) is attracting attention. Measured in terms of employment rates, Denmark is among the top performers in the OECD area. An important distinguishing welfare feature is that most people not in employment are entitled to some form of social transfer. Somewhat simplified, the debate is split between those arguing that the welfare state is creating a low incentive to work and those arguing that most unemployed are suffering from various problems (from social problems to lack of qualifications) which make it difficult/impossible for them to find jobs.

A government appointed expert group proposed a new poverty line based on a relative poverty definition operationalized using the median-income method (2013), but this was abolished by the new government (2015). Though discussions on the issues are ongoing and the poverty line is being used by various organizations.

Most social transfers have recently been reformed with a greater focus on employment. Thus, the disability pension scheme has been changed such that, for people below the age of 40, the disability pension has been suspended (except for cases of severe and permanent loss of work capability). Instead, the focus has shifted to using and developing an individual's remaining work capabilities. Likewise, the social assistance scheme has been reformed with a particular focus on improving the educational attainment of young workers (below age 30). For other age groups, the system now offers more flexibility and individualized solutions. Moreover, there is now a cap on total transfers as well as a work requirement (225 hours paid work within the last year) for full social assistance. Immigrants from outside the European Union are required to have been resident in Denmark for seven out of the last eight years to qualify for normal social assistance, otherwise a lower level of assistance is offered. The aim of these reforms is to strengthen the incentive to work, but it may result in poverty for those failing or unable to respond to these incentives.

Overall, policy debates have focused on how to strengthen the economic incentives for recipients of social assistance to be in work. A 2015 report from the Council of Economic Advisers found that most unemployed persons obtain an economic gain from work; their discussion centers on whether this gain is large enough.

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Health

Health Policy
Score: 8

The main principles of health care in Denmark are as follows: universal health care for all citizens, regardless of economic circumstance; services are offered "free of charge;" and elected regional councils govern the sector. Because financing through taxes depends on the state budget, regional authorities depend on annual budget negotiations with the Ministry of Finance.

Although health care spending in Denmark is high, the OECD considers its performance "subpar." In 2016, health spending in Denmark was 10.4% of GDP (11th highest among OECD countries), of which 8.7% is public (fifth highest among OECD countries). There has been an upward trend in health care expenditures, mainly driven by a policy shift from a top-down system to a more demand-driven system. This shift has been motivated by a concern about long waiting lists; to address this, the government has moved to offer a "time guarantee," where patients in the public health care system can turn to a private provider if a public hospital can't meet a specified wait time limit for treatment.

The 2007 structural reform shifted the responsibility for hospitals and health care from the old counties to the new regions. Health care is financed by a specific tax, however, which is part of the overall tax rate and over which regions have no control. This governance structure is creating problems, with regions having difficulties in meeting the objectives formulated for the health care system.

Life expectancy in Denmark in 2016 was 80.8 years, slightly above the OECD average, but below the level in comparable countries. Life expectancy is on an upward trend. There has been a marked decline in smoking in Denmark in recent years, but obesity rates have increased. The social gradient in health remains strong.

Recently, there has been much public debate about the quality of Danish hospitals. Increasing medicine prices are putting pressure on the financing of health care. The government's program puts emphasis on a right to swift diagnosis and treatment as well as special efforts targeted at elderly medical patients. Since Denmark lags behind neighboring countries when it comes to cancer treatment, the government plans a new cancer strategy.

The current government is optimistic about the health care sector, claiming that one extra doctor and one extra nurse per day have been employed since the beginning of the decade, and that waiting times have been halved.

Citation:

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Families

Family Policy
Score: 9

Denmark scores well on family policy in international comparisons. The country's system of day care centers, preschools and kindergartens allow flexibility for both parents to work. Indeed, female employment in Denmark is among the highest in OECD countries. Comparative research also shows that men in Nordic countries do more household work than men in many other countries. Danes regard day care and preschool facilities as an indispensable public service. The system of parental leave, in connection with childbirth, is relatively generous and men also have parental leave rights.

Municipalities are in charge of day care facilities which may be either public institutions or private. These facilities contribute to better family policy. Social parties and business play a role too.

The great majority of children attend day care facilities in Denmark. In 2014, 66% of children aged two and under were in day care, the highest rate in the OECD – the second highest rate is about 40%. About 95% of children aged three to five attended some kind of preschool institution, the OECD average is about 85%. There is a user payment (means tested) for day care, but it does not cover the full cost, and the system is thus tax subsidized. There has been a large increase in the number of preschools in recent years.

Danish family policy is continuously debated. A primary policy aim is to facilitate labor market participation for women. For many women, returning to work is a financial necessity, and many women want to have a career. Others

would rather take care of their small children for some years, which might actually not be bad for the children, but few actually do so. Recently, concerns have been raised on the quality and flexibility of day care due to strained finances in the municipalities.

Citation:

OECD, 2016, Enrolment in childcare and preschool, OECD – Social Policy Division – Directorate of Employment, Labour and Social Affairs, https://www.oecd.org/els/soc/PF3_2_Enrolment_childcare_preschool.pdf (accessed 7 December 2017).

“Denmark: Combining work and family successfully,” http://europa.eu/epic/countries/denmark/index_en.htm (accessed 17 October 2014).

Pensions

Pension Policy
Score: 9

The pension policy in Denmark is well-structured in accordance with the World Bank’s three-pillar conceptual framework. Concerning the first pillar, Denmark has public pensions in the form of a universal base pension with means tested supplements. For the second pillar, labor market pensions are negotiated in the labor market but mandatory for the individual. The contribution rate has been increased over the years and is now 12% or more for most employees. As for the third pillar, it is comprised of both tax-subsidized pension arrangements (tied until retirement) offered by insurance companies, pension funds and banks as well as other forms of savings (for most households in the form of housing wealth).

The combination of the different pillars of the pension scheme creates a pension system that both protects against low income for the elderly (distributional objective) and ensures that most have a pension which is reasonable in relation to the income earned when the pensioner was active in the labor market (high replacement rates). The Danish pension scheme has for several years ranked first in the Melbourne Mercer Global Pension Index. The division of work between the public and private pension systems, however, has its problems. The means testing of public pension supplements implies that the net gain from additional pension savings or later retirements can be rather low (high effective marginal tax rates) for a broad segment of income earners. Moreover, the system is very complicated. In addition, there is the problem of citizens outside the mandatory labor market pensions (the “residual” pension group).

Statutory ages in the pension system (in public pensions for early retirement and age limits for payment of funds from pension schemes) are established by legislation. Recent reforms – the 2006 welfare reform and the 2011 retirement reform – will increase these ages considerably to cope with the aging population. The first elements of these reforms include a discrete increase in the

early retirement age from 60 to 62 years over the period 2014-2017, shortening the early retirement period from five to three years over the years 2018-2019 and 2022-2023 (implying an early retirement age of 64 in 2023), and increasing the pension age from 65 to 67 years over the period 2019-2022. The second element is an indexation of the early retirement age and pension age to the development in life expectancy at the age of 60, in order to limit the expected pension period to 14.5 years (17.5 including early retirement) over the long term (currently between 18.5 and 23.5 years).

Citation:

Pensionskommissionen, 2015, The Danish Pension System – Internationally Praised but not without Problems (Det danske pensionssystem – internationalt anerkendt, men ikke problemfrit), Copenhagen.

Integration

Integration Policy
Score: 7

On 1 January 2016 there were about 700,000 immigrants and descendants of immigrants living in Denmark, or 12% of the population (7% immigrants, 5% descendants). Roughly two-thirds of immigrants are from non-western countries. After the tightening of immigration policies introduced by the liberal-conservative government in 2002, immigration from non-Western countries fell, but net immigration from Western countries rose. More recently there have been increases from both groups.

The employment rate of immigrants and their descendants (ages 16 to 64) is low compared to other groups, though it had been increasing from the mid-1980s until the onset of the financial crisis. There is a substantial employment gap, taking into account the age distribution, immigrants from non-western countries have an employment rate (2015) which is 23% lower than that of ethnic Danes (for descendants the gap is 17%). The gap is higher for women (25%) than for men (21%). For immigrants from western countries the gap is about 11% (for descendants about 6%). The gaps in employment rates should be viewed in light of high employment rates in Denmark for both men and women, high qualification requirements to find a job and high minimum wages.

Concerning educational achievements, immigrants and their descendants – especially girls – are making progress. For the 2014 cohort, 95.4% of women with Danish ethnicity and 92% of women with a foreign background, and 92% of men with Danish ethnicity and 80.8% of men with a foreign background are expected to complete secondary education.

The 24-year-old rule for family reunification introduced in 2004 has allowed fewer immigrants and their descendants to bring spouses to Denmark from abroad. The percentage fell from 61% in 2001 to 31% in 2008. Instead,

immigrants increasingly marry other immigrants already living in Denmark as well as native Danes.

Since these reforms have gone into effect there have been improvements. Indeed, an increasing number of immigrants say they feel more integrated and have more Danish friends, and fewer say they experience discrimination. In addition, many more immigrants speak Danish than ever before.

In 2015 and 2016, there was a sudden influx of refugees and asylum-seekers from Syria, Iran, Afghanistan and Iraq. This increased revived political debates about immigration and was a key issue in the electoral debate in June 2015, with most parties wanting to limit immigration. The high number of asylum-seekers that arrived over the following summer forced the government to adopt stricter immigration policies. Various measures were introduced to reduce immigration (also for family unification) and recently the government proposed a temporary stop to refugees arriving under the U.N. quota system. The conditions of temporary residency permits are being reassessed and the scope for temporary residents to return is being discussed. These measures should be viewed together with changes to the social safety net and reduced transfers to immigrants.

The current government plans to maintain the temporary border control until control over the Schengen Area's external borders is improved. Special initiatives to tackle the creation of parallel societies, which have high rates of crime and promote anti-Danish values, have been announced. Rejected asylum-seekers will be returned.

As in most other European countries the inflow of asylum-seekers has recently declined significantly. The first eight months of 2017 saw 2,254 people apply for asylum in Denmark, the lowest number in six years. Of asylum-seekers, 25.7% were from Syria, 10.3% from Morocco, 6.3% from Eritrea and 6% from Afghanistan.

Citation:

Danmarks Statistik, "21.000 har søgt om asyl i Danmark I 2015," <http://www.dst.dk/da/Statistik/NytHtml?cid=20613> (Accessed 21 October 2016).

Udlændinge og integration," <https://www.regeringen.dk/regeringens-politik-a-%C3%A5/udlaendinge-og-integration/> (accessed 21 October 2017).

"Hvor mange kommer, og Hvorfra?" <http://refugees.dk/fakta/tal-og-statistik/hvor-mange-kommer-og-hvorfra/> (Accessed 21 October 2017).

Safe Living

Safe Living
Conditions
Score: 8

The security forces and police are responsible for internal security (falling under the Ministry of Justice). Cooperation between the police and defense intelligence services was increased after 9/11. International cooperation has also increased among Western allies.

Denmark is not a violent society. The homicide rate is low and Danes normally trust the police. However, burglaries are not uncommon and crimes related to drug use, especially in the bigger cities, have increased. Recently incidences of gang-crime have increased, including shooting incidences. Terrorist events at home and abroad have increased tensions.

According to the Eurobarometer, Spring 2015, Danish responses to the question “What do you think are the two most important issues facing [your country] at the moment?” were: immigration (35%), health and social security (30%), unemployment (25%), and terrorism (15%).

Denmark has opted out of the justice and home affairs cooperation within the European Union (since 1993). In December 2015, there was a referendum on the Danish opt-out. The proposal called for Denmark to adopt an opt-in model, implying that the country would take part in 22 EU legislative directives and regulations concerning criminal law and police cooperation as well as civil, family and commercial law. Denmark would still not take part in 10 other legislative directives and regulations concerning asylum and immigration. Voters turned this proposal down. Subsequent negotiations led to an agreement with Europol that allows Denmark to take part in police cooperation from May 2017, when Denmark would have had to leave if an arrangement had not been found. It remains to be seen how satisfactory the agreement will be.

Following the great influx of refugees and asylum-seekers in 2015 the government reintroduced border control. Opinion polls in September 2015 showed that about 60% of the Danes supported this step. In an opinion poll in January 2015, 63% of the Danes supported Denmark joining a common EU agreement on the distribution of refugees. The question of continuing national border control is currently under discussion.

In an opinion poll in November 2015, 27% answered very likely and 54% answered likely on the possibility that a terror attack will occur in the next few years. The same poll showed that an overwhelming majority thought that such attack was likely to be committed by a fundamentalist Islamic group.

Citation:

Murder plot against Danish cartoonist, http://jyllands-posten.dk/uknews/EC_E3923645/murder-plot-against-danish-cartoonist/ (accessed 18 April 2013)

DIIS, "Opinion Polls," http://pure.diis.dk/ws/files/563878/Yearbook_2016_Web.pdf (accessed 22 October 2016).

Eurobarometer, Spring 2015, http://ec.europa.eu/commfrontoffice/publicopinion/archives/eb/eb83/eb83_first_en.pdf (Accessed 21 October 2017).

Global Inequalities

Global Social
Policy
Score: 9

Assisting developing countries has broad support in Denmark. Indeed, according to the Center for Global Development's Commitment to Development index, Denmark is ranked first in respect to overall commitment to development, first in respect to fostering institutions and third when it comes to reducing the burden of poverty. When it comes to efficiency, Denmark sits in the middle among OECD countries. Nearly all political parties support Denmark's development efforts and want the country to remain highly ranked in comparison with other countries.

Denmark is one of only five countries in the world to contribute more than the U.N. target of 0.7% of Gross National Income (GNI) to development assistance. In 2011, Denmark contributed 0.85% of GNI to development aid. The new Liberal government, which came to power in June 2015, decided to reduce Danish development aid but will still live up to the U.N. recommendation of 0.7% of GNI. However, some of the funds have been redirected to address the increasing inflow asylum-seekers. There will be increased focus on the regions in the Middle East and Africa from where many refugees come. Denmark's humanitarian aid will not be reduced.

The priority areas of Denmark's development strategy are human rights and democracy, green growth, social progress, stability and protection. About 30% of Danish aid is provided through multilateral channels.

In May 2016, 40% of the Danes felt that it was very important to help people in developing countries and 49% felt that it was fairly important. At the time of the great influx of refugees in September 2015, 30% of the Danes supported giving more development aid, 35% the same amount, 28% less. Overall, there is still relatively strong support for development aid in Denmark.

The government's current development strategy for 2018 prioritizes: increased efforts in areas close to war and conflict; increased focus on migration, including the return of illegal migrants to their home countries; increased

development financing by mobilizing private capital; and increased support for multilateral efforts for women and girls' sexual and reproductive health and rights. About 70% of Denmark's official development aid (ODA) is bilateral, the remaining 30% is multilateral.

Citation:

OECD, Development Assistance Committee (DAC), Peer Review Denmark 2011. http://www.keepeek.com/Digital-Asset-Management/oe.cd/development/oe.cd-development-assistance-peer-reviews-denmark-2011_9789264117082-en#page1 (Accessed 18 October 2014).

Foreign Ministry, "Øget fokus på nærområderne og den humanitære bistand." <http://um.dk/da/nyheder-udenrigsministeriet/newsdisplaypage/?newsID=78F621ED-7A6B-4A89-B307-591316D6FCEE>

Regeringens udviklingspolitiske prioriteter 2018, http://um.dk/da/danida/strategi%20og%20prioriteter/prioritetsplaner?sc_mode=normal (accessed 21 October 2017).

DIIS, Yearbook 2016. http://pure.diis.dk/ws/files/563878/Yearbook_2016_Web.pdf (Accessed 22 October 2016)

III. Environmental Policies

Environment

Environmental
Policy
Score: 8

Denmark is considered a front-runner in environmental policy. According to the 2015 Climate Change Performance Index of the Climate Action Network Europe, Denmark is the most climate-friendly country in the world. According to the Environmental Performance Index for 2017 (produced by the Yale Center for Environmental Law and Policy), Denmark ranked 13 out of 178 countries. Denmark ranked first for health impacts as well as water and sanitation, but 97th for forests, 93rd for fisheries and 86th for agriculture. Agriculture's contribution to ground and water pollution has occasionally become a political issue in Denmark.

In 2015, Denmark had four EU infringement cases regarding the environment. Seven other member states had fewer, but 20 other member states had more. In 2016 Denmark had five cases, while five countries had fewer. In 2015, Denmark had one Article 260 case (infringement) before the Court of Justice of the

European Union (CJEU) and zero in 2016. In 2016, there were 24 Article 260 cases distributed among 10 EU member states.

The perception in Denmark is that the country is doing reasonably well. Asked whether they were satisfied or dissatisfied with efforts to preserve the environment, 70% of Danes answered that they were satisfied, putting Denmark in fourth place among OECD countries. Denmark is doing relatively well when it comes to renewable energy, as 23% of energy consumption is renewable, which puts Denmark in eighth place among OECD countries. Water usage is relatively low in Denmark compared to other OECD countries.

While CO₂ emissions measured on the basis of Danish production have been reduced by about 20% since the mid-1990s, the reduction is only about 5% when measured in terms of consumption. Hence, while Danish production has become more CO₂ friendly this is largely mitigated by imports from countries where production is less CO₂ friendly. Measured in terms of production Denmark has emissions per capita that rank it 8th highest in the OECD and measured in terms of consumption 7th highest.

Denmark has set rather ambitious goals including that energy production should be fossil free by 2050. Several sub-targets have been set to reach this goal. While the long-term goal is for Denmark to be independent of fossil fuels by 2050, the government has also called for green realism in environmental policy and there are signs that some environmental goals will be softened.

Citation:

Organisation for Economic Co-operation and Development, PRESS STATEMENT, Copenhagen, 25 January 2008 Launch of the Environmental Performance Review of Denmark, By Mr. Lorents Lorentsen, Environment Directorate.

Regeringen, 2017, Energi, forsyning og klima, <https://www.regeringen.dk/regeringens-politik-a-C3%A5/energi-forsyning-og-klima/> (accessed 7 December 2017).

Climate Action Network Europe, "The Climate Change Performance Index. Results 2015," <https://germanwatch.org/en/download/10407.pdf>. (Accessed 23 October 2016).

Rockwool Fondensforskningsenhed, 2014, Measuring Denmark's CO₂ emissions. Copenhagen.

Environmental Performance Index. Country profile: Denmark. <http://www.epi.yale.edu/epi/country-profile/denmark> (accessed 7 October 2015, re-accessed 23 October 2016).

EU Environmental infringements, <http://ec.europa.eu/environment/legal/law/statistics.htm> (Accessed 20 October 2017).

Global
Environmental
Policy
Score: 8

Global Environmental Protection

When it comes to international efforts, Denmark is actively promoting environmental protection through the European Union, relevant U.N. bodies and global conferences, including in particular the Conference of the Parties (COP) under the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC). The European Union has become an important international actor in this area. After focusing on air pollution, sewage, waste, nature conservation and threats to human health, the focus has shifted to global warming, including the reduction of CO₂ emissions and achievement of a higher energy efficiency. The EU commissioner for climate action (2009 to 2014) was a Dane, who had previously been minister for climate and energy in Denmark. Her appointment as commissioner could be seen as a recognition of Denmark's efforts in that area. The current government keeps working for an ambitious climate strategy within the European Union.

Recently the Danish government has also been actively involved in international negotiations on biodiversity.

There is broad understanding in Denmark of global environment protection as an international issue and it is an area where civil society is very actively putting pressure on politicians.

At the climate summit in Paris in December 2015 (COP21), a number of environmental NGOs criticized the Liberal government under Lars Løkke Rasmussen for lowering the country's environmental ambitions. The previous Social Democratic-Social Liberal government aimed to reduce CO₂ emission by 40% between 1990 and 2020, but the Liberal government reduced the objective to 37%. The government answered that Denmark was still a leading country in this area.

In his opening speech to parliament in October 2017, Prime Minister Lars Løkke Rasmussen claimed that Denmark is a front-runner in green energy. The government's target is that 50% of energy consumption will be based on renewable energy by 2030. The prime minister further announced the launch of the Partnerships for Green Growth and the Global Goals 2030 (P4G) in New York the previous month.

Citation:

Danish Presidency of the Council of the European Union 2012, EU Environmental Policy, http://eu2012.dk/en/EU-and-the-Presidency/About-EU/Politikomraader/ENV_I/Miljoepolitik (accessed 27 April 2013).

"Klimainsatsen i Danmark," <http://www.kebmin.dk/klima-energi-bygningspolitik/dansk-klima-energi->

bygningspolitik/klimaindsatsen-danmark (accessed 19 October 2014).

Web site of Ministry of the Environment: <http://mim.dk/> (Accessed 19 October 2014).

“Danmark udpeget som klimaskurk på topmøde i Paris,” <https://www.dr.dk/nyheder/indland/danmark-udpeget-som-klimaskurk-paa-topmoede-i-paris> (Accessed 23 October 2016).

Prime Minister Lars Løkke Rasmussen’s Opening Address to the Folketing on 3 October 2017” http://www.stm.dk/_p_14597.html (accessed 20 October 2017).

Quality of Democracy

Electoral Processes

Candidacy
Procedures
Score: 10

The basic rule for candidacy procedures is laid out in section 30 of the Danish constitution: “Any person who is entitled to vote at general (parliamentary) elections shall be eligible for membership of the Folketinget, unless he has been convicted of an act which in the eyes of the public makes him unworthy to be a member of the Folketinget.” It is the unicameral parliament (Folketinget) itself, which, in the end, decides whether a conviction makes someone unworthy of membership. In practice, political parties play an important role in selecting candidates for elections. It is possible to run in an election in a personal capacity, but extremely difficult to be elected that way. Given the relatively high number of political parties, it is reasonably easy to become a candidate for a party. There is also the possibility of forming a new party. New parties have to collect a number of signatures to be able to run, corresponding to 1/175 of the number of votes cast at the last election.

Citation:

The Constitutional Act of Denmark of June 5, 1953, <http://www.eu-oplysningen.dk/upload/application/pdf/0172b719/Constitution%20of%20Denmark.pdf> (accessed 15 April 2013).

Henrik Zahle, *Dansk forfatningsret I: Institutioner og regulering*. Copenhagen: Christian Ejlertsen Forlag, 2005.

Jørgen Grønnegård Christensen og Jørgen Elklit (eds.) *Det demokratiske system*. 4. udgave. Hans Reitzels Forlag, 2016.

Media Access
Score: 9

Denmark is a liberal democracy. According to section 77 of the constitution, freedom of speech is protected: “Any person shall be at liberty to publish his ideas in print, in writing, and in speech, subject to his being held responsible in a court of law. Censorship and other preventive measures shall never again be introduced.” Freedom of speech includes freedom of the press. According to the Press Freedom Index published in 2015 by Reporters Without Borders, Denmark ranked third, after Finland and Norway. In their 2017 index, Denmark ranked fourth behind Norway, Sweden and Finland. The penal code sets three limits to freedom of speech: libel, blasphemy and racism. The independent courts interpret the limits of these exceptions.

The public media (Denmark's Radio and TV2) have to fulfill programming criteria of diversity and fairness. All political parties that plan to take part in elections, whether old or new, large or small have the right to equal programming time on the radio and on television. Private media, mostly newspapers, tend also to be open to all parties and candidates. The trend decline in newspapers has implied a concentration on a few national newspapers, which has reduced media pluralism. However, all newspapers are, for instance, open to accepting and publishing letters to the editor. Likewise, all parties and candidates have equal possibilities of distributing pamphlets and posters. Finances can be a limiting factor, however, with the larger parties having more money for campaigns than smaller parties.

Citation:
Straffeloven [The Penal Code],
http://www.themis.dk/synopsis/docs/Lovsamling/Straffeloven_indholdsfortegnelse.html (accessed 15 April 2013).

Reporters Without Borders, "Press Freedom Index 2015," <http://index.rsf.org/#/> (Accessed 7 October 2015).
Reporters Without Borders, "Press Freedom Index 2016," <https://rsf.org/en/ranking> (Accessed 17 October 2016).

Reporters Without Borders, "Press Freedom Index 2017," https://rsf.org/en/ranking_table (Accessed 16 October 2017).

Zahle Henrik, 2001, Dansk Forfatningsret 1.

Voting and
Registrations
Rights
Score: 9

According to section 31 of the Danish constitution, "The members of the Folketinget shall be elected by general and direct ballot." More specific rules are laid down in the election act. The election act stipulates that "franchise for the Folketinget is held by every person of Danish nationality, who is above 18 years of age, and permanently resident in the realm, unless such person has been declared legally incompetent." The rule determining eligibility at 18 years old was introduced in 1978.

The ambiguity in the election act is related to the question of what it means to be "permanently resident in the realm." The interpretation was previously rather narrow but has been expanded over time. The basic principle is that Danes who move abroad permanently (official change of address) will not be able to vote. However, there are a number of important exceptions, including "persons who are employed by the Danish state and ordered to enter service outside the realm, and spouses cohabiting with such persons, shall be considered to be permanently resident in the realm." The act also gives persons who have taken up temporary residence in foreign countries (e.g., due to work for a public agency or for education) the right to vote. In its granting of temporary residency, Denmark remains more restrictive than many other OECD countries.

Citation:
Folketinget, Parliamentary Election Act of Denmark,

http://www.ft.dk/~media/Pdf_materiale/Pdf_publicationer/English/valgloven_eng_web_samlet%20pdf.ashx (accessed 16 April 2013).

Zahle, Dansk forfatningsret 1.

Party Financing
Score: 8

Political parties are financed by membership fees as well as support from other organizations/corporations and the state. Traditionally, the Social Democratic Party has received support from the labor movement and the Conservative Party and Liberal Party have received support from employers' organizations. A law enacted in 1990 made such contributions voluntary, implying that members of these organizations who do not want their membership fees used to support political parties can opt out.

Public support for political parties is becoming more important. The party groups in the parliament (Folketinget) receive financial support (recently increased) for their legislative work, including staff. Further, the parties receive electoral support depending on the number of votes garnered.

There is transparency about such public support. Concerning private support, the name of contributors donating more than DKK 20,000 should be made public, but the amount donated is confidential. Smaller amounts are allowed to remain anonymous. It is possible to circumvent publicity by multiple donations below the limit to local branches of political parties and there are also examples of other indirect ways of supporting parties. The Danish branch of Transparency International has criticized these rules as insufficiently transparent. Discussions about the need for members of parliament to make all their economic interests public are ongoing.

The Danish People's Party has run into problems regarding their use of EU money to fund political activities in Denmark not related to the European Union. There is an ongoing EU investigation into the campaign spending of Morten Messerschmidt, a member of the European Parliament for the Danish People's Party.

Citation:

Partistøtte på grundlag af deltagelse i seneste folketingsvalg, <http://valg.sim.dk/Valg/Partistoette/Folketingsvalg.aspx> (Accessed 8 October 2015).

Oversigt over partistøtte for 2014 på grundlag af deltagelse i folketings-valget den 15. september 2011, http://valg.sim.dk/media/750802/2014_oversigt_partist_tten.pdf (Accessed 8 October 2015).

Partistøtte [Party support], <https://www.borger.dk/Sider/Partistoette.aspx> (accessed 16 April 2013).

Transparency International Danmark, "Privat Partistøtte," http://transparency.dk/wp-content/uploads/2012/12/Policy-Paper_Privat-partist%C3%B8tte_elektronisk-version.pdf (accessed 20 October 2014).

Zahle, Dansk forfatningsret 1, pp. 159-160.

Popular Decision-
Making
Score: 4

According to the constitution, one-third of the members of the Folketing can request that an adopted bill be sent to a referendum. A majority of those voting, representing not less than 30% of the electorate, can reject the bill. There are some bills that are exempt from referendums, including those on finance, appropriation, civil servants, salaries and pensions, naturalization, expropriation and taxation.

The constitution allows for the delegation of powers to international authorities provided such a move is supported by a five-sixth majority in the parliament. If there is an ordinary majority in the parliament, but less than five-sixth, the bill must be submitted to the electorate. For rejection, a majority of voters, representing at least 30% of the electorate, must reject the measure.

According to constitution, the change of the age qualification for suffrage also requires a referendum. There have been five referendums about the voting age since the current constitution was adopted in 1953, the latest in 1978, when the current voting age of 18 was adopted.

A change in the constitution itself requires confirmation by a referendum. First, such an amendment must be passed by two parliaments with an election in between. Then it must be confirmed by a majority of the voters representing at least 40% of the electorate. This very stringent procedure makes it difficult to change the constitution.

The use of referendums in Denmark is mostly for EU-related decisions. Referendums were used for membership in the European Communities in 1972 and subsequent for treaty reforms, including the Single European Act, the Maastricht Treaty (which required two referendums to be adopted) and the Amsterdam Treaty. There was also a referendum in 2000 on Denmark joining the euro, but it did not win approval from voters. A referendum on justice and home affairs cooperation within the European Union took place in December 2015 with a majority voting “no.”

The use of referendums is controversial. Many question whether voters really know what they vote for, if it becomes a confidence vote on the government or the current state of the national economy.

There are no provisions in the Danish constitution for popular initiatives; Denmark remains a representative democracy. Likewise, there are no provisions in the constitution for regional or communal referendums; such referendums can only be consultative.

Citation:

The Danish Constitutional Act of June 5, 1953, <http://www.eu-oplysningen.dk/upload/application/pdf/0172b719/Constitution%20of%20Denmark.pdf> (accessed 26 April 2013).

Peter Germer, *Statsforfatningsret*. 5. udgave. Copenhagen: Jurist- og Økonomforbundets Forlag, 2012.

Palle Svensson, "Denmark: the Referendum as Minority Protection," <http://www.folkestyre.dk/english/White%20Papers/SVENSSON1.htm> (accessed 26 April 2013).

Finn Laursen, "Denmark and the Ratification of the Lisbon Treaty: How a Referendum was Avoided," in Finn Laursen, ed., *The Making of the Lisbon Treaty: The Role of Member States*. Brussels: P.I.E. Peter Lang, 2012, pp. 237-258.

Access to Information

Media Freedom
Score: 9

Press freedom is protected by section 77 of the Danish constitution, with certain restrictions concerning libel, blasphemy and racism. Denmark's radio and privately run TV2 are governed by independent boards appointed by the minister of culture, the parliament (Folketinget) and employees. No members of parliament are allowed to be board members and legislation endeavors to assure that programs are impartial and diverse. There have been a few incidents in which board members have tried to influence specific programs or decisions taken by the management board of Denmark's Radio. State-run media are financed by an annual license fee. The government has announced that TV2 will be fully privatized, Denmark Radio will face budget cuts and the financing mechanism (e.g., general taxation or license fee as presently) is being reviewed.

Private media, especially newspapers, used to have party affiliations, but such affiliations have lessened in recent years. The print media is VAT exempt and gets other forms of government support. Freedom House describes private media in Denmark as "vibrant." In *Freedom of the Press 2017*, Denmark ranked joint 4 out of 199 countries, behind Norway, the Netherlands and Sweden, and equal with Belgium and Finland. Following a Danish newspaper's publication of a cartoon depiction of Islamic prophet Muhammad in 2005, Denmark was for several years ranked lower. Further, a 2015 incident in which an assailant of Palestinian origin shot and killed two civilians led to fears of self-censorship in the media.

Citation:

Reporters Without Borders, "Press Freedom Index 2017," https://rsf.org/en/ranking_table (Accessed 16 October 2017).

Zahle, *Dansk forfatningsret 3: Menneskerettigheder*. Copenhagen: Christian Ejlers' Forlag, 2007.

Media Pluralism
Score: 9

There are currently about 35 daily newspapers in Denmark. This includes six daily (*Politiken*, *Jyllands-Posten*, *Berlingske*, *Børsen*, *Kristeligt Dagblad* and *Information*), three tabloid (*MetroXpress*, *BT* and *Ekstra Bladet*) and 26 smaller

regional newspapers, as well as an increasing number of online news sites. Most private publications tend to be conservative or liberal in political philosophy. Left-wing views tend to be underrepresented in editorial pages, but in straight news reporting most newspapers tend to deliver fairly wide-ranging and diverse coverage. The main newspapers regularly include letters to the editor that do not reflect the paper's own views. So in practice, there is a high degree of pluralism of opinions in Danish newspapers. A vibrant civil society contributes to this. Today Jyllands-Posten (right-wing/liberal) and Politiken (social democratic/liberal) are run by the same publishing house, but with independent editorial policies and owned by separate foundations. Only one local paper, Skive Folkeblad, is owned by a party, the Social Liberal Party.

The public media (mostly radio and TV) are independent and have editorial freedom. Satellite and cable TV are increasingly creating more competition for public media. In addition, a number of local oriented radio channels exist. Internet access is widespread and not restricted. Denmark ranks among the top five countries in the world in respect to households having internet access.

All newspapers are active on the internet and are moving more toward paid content. Danes increasingly get their information digitally via social media platforms, such as Facebook and Snapchat. The readership of print media has declined substantially in recent years. But traditional print media and TV still play an important role in public debate.

Citation:

"Media Landscape – Denmark," http://ejc.net/media_landscapes/denmark (accessed 10 October 2015).

"The media landscape in Denmark," <http://www.eurotopics.net/en/home/medienlandschaft/dkmdlschaft/> (accessed 20 October 2014).

"Denmark Newspapers," <http://www.allnewsmedia.com/Europe/Denmark/newspapers.htm> (accessed 16 April 2013).

"Media Insights," <http://frontpage.dk/en/medie-insights/> (Accessed 16 October 2017).

Access to
Government
Information
Score: 9

Denmark passed the Access to Public Administration Files Act in 1985, which replaced a previous act made law in 1964. The act stipulates that, "any person may demand that he be apprised of documents received or issued by an administration authority in the course of its activity." There are exceptions to this framework; the act does not apply to matters of criminal justice, nor does the right of access extend to an authority's internal case material. Further, the right of access does not apply to five specific sorts of documents, which include: records of meetings of the Council of State, as well as minutes of meetings of ministers, and documents prepared by an authority for use at such meetings; correspondence between ministers, relating to the making of laws, including appropriation bills; documents exchanged in connection with the secretarial function of one authority on behalf of another authority; correspondence between authorities and outside experts for use in court proceedings or in

deliberations on possible legal proceedings; and material gathering for the purpose of public statistics or scientific research. The law previously included European Community documents, but this exemption was removed in 1991.

The law further describes files that “may be subject to limitations,” namely files concerning the following: state security or the defense of the realm; protection of Danish foreign policy or of Danish external economic interests, including relations with foreign powers or international institutions; prevention and clearing-up of any infringement of the law, prosecution of offenders, execution of sentences and the like, and protection of persons accused, of witnesses or others in matters of criminal or disciplinary prosecution; implementation of public supervision, control, regulation or planning activities, or of measures planned under taxation law; protection of public financial interests, including interests relating to public commercial activities; or protection of private or public interests where secrecy is required because of the special nature of the matter.

The new Access to Public Administration Act in 2014 was approved in parliament by a majority consisting of the government coalition parties as well as the Liberal and Conservative parties; the act met opposition from both the left and right (the Danish People’s Party, Liberal Alliance and Unity List). The revised act has been criticized for reducing access to documents prepared by government officials in the process of preparing new government policy.

This list is obviously rather long and some of the possibilities to deny access to documents are rather open-ended. The act does stipulate that requests must be dealt with quickly; if no decision has been made within 10 days, authorities have to inform the inquiring party as to why their request is delayed, and when they can expect a decision.

The parliamentary ombudsman can review the decisions by administrative authorities over the disclosure of information. The ombudsman cannot change decisions, but can make recommendations, which are normally followed by the authorities.

Denmark was not among the 12 European countries that signed the first international convention on access to official documents in Tromsø, Norway, on 18 June 2009. This Council of Europe convention has been criticized for its weaknesses.

Citation:

Act No. 572, 19 December 1985, The Danish Access to Public Administration Files Act, <http://www.unece.org/fileadmin/DAM/env/pp/compliance/C2008-28/response/DKAccessToPublicAdministrationFilesAct.pdf> (accessed 16 April 2013).

“Danish Government Seeks to protect decision documents,” <http://www.freedominfo.org/2013/02/danish-government-seeks-to-protect-decision-documents/> (Accessed 16 April 2013).

“Danish Parliament Adopts Controversial FOI Changes,” <http://www.freedominfo.org/2013/06/danish-parliament-adopts-controversial-foi-changes/> (accessed 20 October 2014).

Helle Krunke, “Freedom of Information and Open Government in Denmark,” <http://ojs.imodev.org/index.php/RIGO/article/view/9/70> (Accessed 16 October 2017).

“12 European Countries Sign First International Convention on Access to Official Documents, 19 June 2009,” <http://www.freedominfo.org/2009/06/12-european-countries-sign-first-international-convention-on-access-to-official-documents/> (accessed 16 April 2013).

Civil Rights and Political Liberties

Civil Rights
Score: 9

Civil rights are protected by the Danish constitution, including personal liberty (Article 72), inviolability of property (Article 73), inviolability of dwellings (Article 72), freedom of speech (Article 77), freedom of association and freedom of assembly (Article 79). The authorities and courts normally protect these freedoms.

Denmark ratified the European Convention on Human Rights in 1953. Since 1976, Denmark has had a number of cases at the European Court of Human Rights. Denmark lost some cases, especially concerning freedom of association (Article 11 in the European Convention) and concerning unnecessarily lengthy case proceedings (Article 6 in the European Convention), including the 2009 *Christensen v. Denmark Judgment*. These cases indicate Denmark could do better when it comes to protection of civil rights.

The Danish Institute for Human Rights issues an annual report with detailed accounts of the human rights situation in Denmark and recommendations for the government. Some recommendations concern the rights of immigrants and asylum-seekers.

It is being contested whether recent changes in relation to asylum-seekers, including rules for family reunification, violate the Geneva Convention.

In its 2016 – 2017 report, Amnesty International referenced “serious restrictions to asylum and migration laws,” and “the government’s suspension of an agreement with the U.N. Human Rights Committee to receive 500 refugees annually for resettlement from refugee camps.”

The Danish government has announced that it will use its forthcoming chair of the Council of Europe (November 2017 to May 2018) to initiate a reconsideration of the European Convention of Human Rights. Article 8 of the

convention is seen as a hindrance to the adoption of a more restrictive family reunification policy.

Citation:

Henrik Zahle, Dansk forfatningsret 3: Menneskerettigheder. Copenhagen: Cristian Ejlers' Forlag, 2007.

Institut for menneskerettigheder, "Danske sager," <http://menneskeret.dk/menneskerettigheder/europa,+oplysning+og+rettigheder/euopar%C3%A5det/den+europ%C3%A6iske+menneskerettighedsdomstol/danske+sager> (accessed 15 April 2013).

European Court of Human Rights, "Case of Christensen v. Denmark," <http://menneskeret.dk/files/DoekerPDF/Case%20of%20Christensen%20v.%20Denmark.pdf> (accessed 15 April 2013).

Danish Institute for Human Rights, Human Rights in Denmark: Status 2014-15. A Summary. http://www.humanrights.dk/files/media/dokumenter/udgivelser/status/status_uk_2015.pdf (accessed 7 October 2015).

Niels Rohleder, "Danish chairmanship of the Council of Europe to weaken human rights," <http://refugees.dk/en/news/2017/may/danish-chairmanship-of-the-council-of-europe-to-weaken-human-rights/> (Accessed 16 October 2017).

Amnesty International, Denmark 2016/2017. <https://www.amnesty.org/en/countries/europe-and-central-asia/denmark/report-denmark/> (Accessed 16 October 2017).

Political Liberties
Score: 9

The Danish constitution protects the political rights and liberties, including freedom of speech, freedom of association and freedom of assembly. Elections are free. The government is accountable to the elected parliament.

Freedom House usually gives Denmark top scores for civil liberties and political rights. Problems in Denmark mostly concern ethnic tensions, especially involving the country's Muslim population, and alleged abuse by the police.

Recent human rights reports from Amnesty International include critiques concerning the treatment of refugees and asylum-seekers. Some asylum-seekers in Denmark were returned to their home countries, contrary to the recommendations of the United Nations High Commissioner for Refugees (UNHCR). This practice stopped after a decision against Denmark by the European Court of Human Rights in 2011. The 2013 report criticized some individual cases of denied asylum. In a report reviewing human rights between 2011 to 2015, Amnesty International expressed concern about the "management of asylum cases which fails to insure the best interests of the child, and the detention of asylum-seekers and vulnerable persons while awaiting deportation."

The 2015 – 2016 report from Amnesty International mentioned a recent judgment by the Eastern High Court that the police had unlawfully removed and detained protesters during an official state visit by Chinese officials in 2012.

Citation:

Amnesty International Annual Report: Denmark 2016/2017, <https://www.amnesty.org/en/countries/europe-and-central-asia/denmark/report-denmark/>

Amnesty International, Denmark: Human Rights in Review: 2011-2015. <https://www.amnesty.org/en/documents/eur18/2332/2015/en/> (accessed 8 October 2015).

Non-discrimination
Score: 8

Denmark is traditionally an open and liberal society, and has been at the forefront in ensuring the rights of sexual minorities, for example. Basic rights are ensured in the constitution and supplemented with additional laws focused on specific areas, including ethnicity and the labor market. Citizens can file complaints concerning issues of discrimination to the Board of Equal Treatment or opt to bring discrimination cases before the courts.

Discrimination can take various forms and can be perceived differently depending on position, history and social context. A key issue is the extent of discrimination in the labor market.

Gender-based discrimination in the labor market relates primarily to wages, but also, more generally, to hiring and career options. Childcare is a particular point in this context. Rules dealing with child leave have been expanded to extend the right (and duty) of fathers to take paternity leave. Since 2006, all employers have been required to contribute to a paternity fund which finances paternity leave, which prevents such costs disproportionately falling on employers with a high number of female employees. A commission (Lønkommissionen) concluded in 2010 that about two-thirds of the observed average gender wage difference could be explained by individual differences and sectoral employment, but the analysis did not conclude there was “equal wage for equal work.”

Frequently cases of discrimination in the labor market are reported in the press, with examples of persons having difficulties in finding a job due to ethnic identifiers, such as the person’s name. Different treatments and options in the labor market can have several causes, and there is no thorough academic analysis that has attempted to separate these causes and evaluate the extent of discrimination in the labor market.

Indirect discrimination can take various forms. A notable area is in terms of rules and regulations, which, on the one hand, are general and apply to all citizens, but on the other hand, effectively target particular groups. One example is “start-aid” (roughly half of ordinary social assistance) offered to immigrants which have been residing in the country seven out of the last eight years. While formally treating all immigrants equally (as required by EU regulations) the scheme in particular targets immigrants from low-income countries with a low employment rate. The scheme was introduced by the liberal-conservative

government in 2002, abolished by the Social Democratic-Center government in 2012 and reintroduced by the liberal government in 2015.

Immigration laws were tightened after the liberal-conservative government came to power in 2001. One particularly controversial law was the tightening of rules for family reunification. Bringing a spouse to Denmark required that both persons in the couple are at least 24 years old, in addition to a number of other requirements; the law also included an economic test. Immigration laws concerning family reunification and permanent residency were made less restrictive in May and June 2012 under the Social Democratic-led government, but has since been tightened by the Liberal-led government. At the moment, asylum policy is under pressure due to the large influx of asylum-seekers from the Middle East. Immigration rules and their implementation have been tightened several times recently. Even the Social Democrats, under the party's new leadership, now favors a tight immigration policy.

Citation:

Freedom House, Freedom in the World 2014 – Denmark, <http://www.freedomhouse.org/report/freedom-world/2014/denmark-0#.VEa2JOSEi70> (accessed 21 October 2014).

United States Department of State, Country Reports on Human Rights Practices for 2013 – Denmark, <http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/#wrapper> (accessed 21 October 2014).

Rule of Law

Legal Certainty
Score: 9

Denmark has a long tradition of a rule of law. No serious problems can be identified in respect to legal certainty in Denmark. The administration is based on a hierarchy of legal rules, which of course gives administrators certain discretion, but also a range of possibilities for citizens to appeal decisions. Much of the Danish administration is decentralized and interpretation of laws, rules and regulations can vary from one municipality or region to another. Acts passed by the parliament, as well as administrative regulations based on these acts, are all made public. They are now widely available on the internet. Openness and access to information, and various forms of appeal options, contribute to strengthening legal certainty in administration.

Citation:

Henning Jørgensen, Consensus, Cooperation and Conflict: The Policy Making Process in Denmark. Cheltenham: Edward Elgar, 2002.

Judicial Review
Score: 10

There is judicial review in Denmark. Section 63 of the Danish constitution makes it clear that the courts can review executive action: “The courts of justice shall be empowered to decide on any question relating to the scope of the executive’s authority.” The judiciary is independent even though the

government appoints judges, as explained in detail below. Section 64 of the constitution stipulates: “In the performance of their duties the judges shall be governed solely by the law. Judges shall not be dismissed except by judgment, nor shall they be transferred against their will, except in such cases where a rearrangement of the courts of justice is made.”

Administrative decisions can normally be appealed to higher administrative bodies first, and after exhaustion of these possibilities, to the courts. The legal system has three levels with the possibility of appealing lower level judgments to high courts and eventually to the Supreme Court.

Citation:

Henrik Zahle, *Dansk forfatningsret 2: Regering, forvaltning og dom*. Copenhagen: Christian Ejlers’ Forlag, 2004.

Appointment of
Justices
Score: 10

According to section 3 of the Danish constitution, “Judicial authority shall be vested in the courts of justice.” Further, section 62 stipulates: “The administration of justice shall always remain independent of executive authority. Rules to this effect shall be laid down by statute.” Finally, section 64 stipulates, inter alia: “In the performance of their duties the judges shall be governed solely by the law. Judges shall not be dismissed except by judgment, nor shall they be transferred against their will, except in such cases where a rearrangement of the courts of justice is made.”

The judicial system is organized around a three-tier court system: 24 district courts, two high courts and the Supreme Court. Denmark does not have a special Constitutional Court. The Supreme Court functions as a civil and criminal appellate court for cases from subordinate courts.

The monarch appoints judges following a recommendation from the minister of justice on the advice of the Judicial Appointments Council. This latter council was formed in 1999. The purpose was to secure a broader recruitment of judges and greater transparency. The council consists of a judge from the Supreme Court, a judge from one of the high courts, a judge from a district court, a lawyer and two representatives from the public. They have a four-year mandate and cannot be reappointed.

In the case of the Supreme Court, a nominated judge first has to take part in four trial votes, where all Supreme Court judges take part, before he or she can be confirmed as a judge.

Citation:

Henrik Zahle, *Dansk forfatningsret 2: Regering, forvaltning og dom*. Copenhagen: Christian Ejlers’ Forlag, 2004, p. 88.

Corruption
Prevention
Score: 10

“Dommerudnævnelserådet,”

<http://www.domstol.dk/om/organisation/Pages/Dommerudn%C3%A6vnelse%C3%A5det.aspx> (accessed 17 April 2013).

In Transparency International’s Corruption Perception Index 2016, Denmark was ranked first together with New Zealand, ahead of Finland and Sweden. Denmark is thus considered one of the least corrupt countries in the world.

This confirms that there is practically no corruption in Denmark. Norms are strong against corruption, and the risk of exposure by an active press is high. In the past, there was the occasional case of a local government official accepting “services” from business in exchange for contracts with the municipality, but such cases are rare. There have also occasionally been cases of officials using their representation accounts rather generously. Again, such cases are rare. Recently, some officials have allegedly accepted gifts from IT companies.

Citation:

Transparency International, Corruption Perception Index 2016.
https://www.transparency.org/news/feature/corruption_perceptions_index_2016 (Accessed 16 October 2017).

Governance

I. Executive Capacity

Strategic Capacity

Strategic
Planning
Score: 9

The amount of strategic thinking in Danish government administration varies across different ministries. It also depends on the decision-making style of the ministry head. Major reforms in Denmark are usually prepared through committees or commissions established to produce a report outlining issues and options. In recent years, commissions have played an essential role in the policy formation process, including Strukturkommissionen (infrastructure commission), Velfærdskommissionen (welfare commission), Arbejdsmarkedskommissionen (labor market commission), Skattekommissionen (tax commission), Produktivitetskommissionen (Productivity commission) and Dagpengekommissionen (unemployment insurance commission). In addition, it is quite common to appoint expert groups to prepare inputs for important policy discussions and reforms. The members can be experts, representatives of organizations or civil servants. Moreover, professionalism in ministries has increased.

A tradition has developed in formulating overarching strategic policy plans (usually with a horizon of about 10 years), such as the government's 2010 plan, 2015 plan, 2020 plan and most recently 2025 plan. The 2025 plan was presented by the Liberal minority government in August 2016 and subsequently reconfirmed by the new three-party government in May 2017. The plan sets policy targets for, among other areas, fiscal sustainability and living standards.

There has been a continuous effort to modernize the public sector to make it more efficient. Economic policy plans have included expectations on productivity increases in the public sector, although there are obvious measurement problems in assessing the outcome of such initiatives. As a sign of the ongoing process, the new coalition government has a minister responsible for public innovation.

It should be noted that government policies traditionally have been consensus-driven. This applies both to parliament, as most governments have been minority governments, and in relation to negotiations involving organizations and the political system, most notably in relation to labor market issues.

Citation:

Niels Ejersbo og Carsten Greve, *Modernisering af den offentlige sektor*. Copenhagen: Børsen, 2005.

The Danish Government, *Denmark's National Reform Programme*. May 2011. http://ec.europa.eu/europe2020/pdf/nrp/nrp_denmark_en.pdf (accessed 20 April 2013).

The National Reform Programme Denmark 2014. http://ec.europa.eu/europe2020/pdf/csr2014/nrp2014_denmark_en.pdf

DK2025 - et stærkere Danmark. August 2016. http://stm.dk/publikationer/DK2025_web/index.htm (Accessed 17 October 2016).

The Danish Government, "Vækst og velstand 2025," <https://www.regeringen.dk/2025/> (Accessed 16 October 2017)

Scholarly Advice
Score: 8

Denmark's political administration draws to some extent on in-house expertise. For most policy areas, however, policymakers rely on advising councils or expert committees. For example, when policymakers formulate health policies, they need to consult with medical experts outside of the government. In addition, the Danish Economic Council plays an important role as an independent institution, as politicians heed its recommendations. The responsibilities of the chairmen has been extended (and the number of chairmen extended from three to four), since 2007 they also head the Environmental Economic Council and the remit of the Economic Council has been extended to also comprise a role as fiscal watchdog (related to the new budget law) and productivity council (meeting EU requirements). The chairmen prepare reports that are then discussed by members representing unions, employers, the central bank and the government. The reports typically garner media attention. The chairs are non-partisan and usually serve for several years before returning to academia.

Citation:

Jørgen Grønnegård Christensen, Peter Munck Christiansen og Marius Ibsen, *Politik og forvaltning*. 3. udgave. Copenhagen: Hans Reitzels Forlag, 2011.

Website of the Danish Economic Councils: www.dors.dk/ (accessed 20 April 2013).

Det Økonomiske Råd 1962-2012 - Et jubilæumsskrift, De Økonomiske Råd, København.

Interministerial Coordination

GO Expertise
Score: 7

The Danish Prime Minister's Office (PMO) is relatively small. It normally has a staff of about 80, spread between three groups (i.e., academics, technical and administrative staff), the academic group being the largest.

The office is divided into two main sections, one dealing with foreign policy and the second with domestic political and economic issues. There is also a law division and an administrative division. The High Commissioner for the Faroe Islands and the High Commissioner for Greenland also fall under the PMO. The prime minister's portfolio tasks include the North Atlantic area (e.g., Greenland and the Faroe Islands), the press, constitutional law and relations with the Royal Family.

Given its small size, the PMO does not have the capacity to evaluate the details of all laws. But some officials are seconded from important line ministries to give the PMO a certain capacity. This capacity has been strengthened since the 1990s.

There is a strong tradition of so-called minister rule (ministerstyre). A minister is in charge of a certain area, but the cabinet is a collective unit and is supposed to have only one policy focus, for which the prime minister has the overall responsibility. Coordination takes place through special committees. Most important is the government coordination committee which meets weekly. Other committees are the committee on economic affairs, the security committee and the appointment committee. There is also a tradition of two-day government seminars once or twice per year where important government issues are discussed.

Citation:

Website of the Prime Minister's Office: http://www.stm.dk/_a_2570.html (accessed 16 October 2017).

Jørgen Grønnegård Christensen, Peter Munk Christiansen og Marius Ibseb, Politik og forvaltning, 4. udgave, Hans Reitzels Forlag, 2017.

Jørgen Grønnegård Christensen and Jørgen Elklit (eds.), Det demokratiske system. 4. udgave. Hans Reitzels Forlag, 2016.

GO Gatekeeping
Score: 9

The prime minister has the discretionary power to take the actions deemed necessary. The tradition of "minister rule" (ministerstyre) implies that this possibility is rarely exercised. Moreover, the fact that most governments have been minority governments implies that consensus and negotiation is involved.

Citation:

Jørgen Grønnegård Christensen, Peter Munk Christiansen and Marius Ibsen, Politik og forvaltning, 4 th ed., 2017.

Line Ministries
Score: 9

The norms of “minister rule” and the “resort” principle (where ministers are in charge of certain areas) give the line ministries a fair amount of autonomy. It is also the line ministries that have the most technical expertise. Nonetheless, to achieve coherent government policy, interdepartmental coordination takes place. Since most governments are coalition governments this is particularly important. This is not a hierarchical coordination, but is rather based on negotiations. The prime minister has a special position given his/her constitutional prerogatives as the person who appoints and dismisses ministers. Major issues and strategic considerations are dealt with in the government coordination committee (regeringens koordineringsudvalg) involving the prime minister and other key ministers. The standing committees are also important coordination devices. In addition, there are ad hoc coordination meetings between the leaders of the parties constituting the governing coalition. The current three-party government formed in November 2016 is a minority government. The prime minister must maintain contact with the leaders of the other government parties, the Conservatives and Liberal Alliance, and the Danish People’s Party.

The Ministry of Finance also plays an important role whenever financial resources are involved. No minister can go to the finance committee of the parliament (Folketinget) without prior agreement from the Ministry of Finance. The position of the Ministry of Finance has been strengthened by the “budget law” adopted in 2012, establishing a clear top-down approach for the budget process.

Apart from coordinating the preparation of next year’s finances, the Ministry of Finance is also involved in formulating general economic policy and offering economic and administrative assessments of the consequences of proposed laws.

Citation:

Jørgen Grønnegård Christensen et al., Politik og forvaltning, 4. udg., 2017.

“Regeringen indgår aftale om ny budgetlov,”
<http://www.fm.dk/nyheder/pressemeddelelser/2012/03/regeringen-indgaar-aftale-om-ny-budgetlov/> (Accessed 10 October 2015)

Cabinet
Committees
Score: 9

Policy preparation tends to take place in cabinet committees (regeringsudvalg) involving a smaller number of ministers. The number of such committees has varied over time. Currently, the following standing cabinet committees exist: the government coordination committee (chaired by the prime minister), the economy committee (chaired by the finance minister), the security committee (chaired by the prime minister), the appointments committee (chaired by the prime minister) the government’s EU implementation committee (chaired by the minister of employment), and the Ministerial Committee for Public Renewal (chaired by the minister for public innovation).

This system was strengthened under the previous liberal-conservative government in the early 2000s and there are parallel committees of high-level civil servants.

Citation:

Jørgen Grønnegård Christensen et al., Politik og forvaltning, 4. udg., 2017.

Oversigt over faste regeringsudvalg, http://www.stm.dk/_a_1848.html (Accessed 16 October 2017).

Ministerial
Bureaucracy
Score: 9

Coordination through the cabinet is collegial, and officials largely carry out interdepartmental coordination through negotiations between their affected ministries, often via interdepartmental committees or working groups. There is a certain degree of congruence between such interdepartmental committees and cabinet committees, with different ministries leading on different issue areas. The PMO plays an important role, especially for issues that involve the parliament. Other important ministries are the Finance Ministry, which prepares the annual budget, the Justice Ministry, which checks the legal aspects of all bills, and the Foreign Ministry, which gets involved in security, defense and development policies.

Citation:

Jørgen Grønnegård Christiansen, Peter Munk Christensen and Mariun Ibsen, Politik og forvaltning, 4. udgave. Copenhagen: Hans Reitzels Forlag, 2017.

Informal
Coordination
Score: 8

The Danish administrative system is a mix of formal rules and norms and more informal traditions. As a few examples, officials hold informal talks in the halls of government, over lunch and during travel to and from Brussels. The informal mechanisms can make formal meetings more efficient. Of course, important decisions must be confirmed in more formal settings. At the political level, informal mechanisms are probably more important than formal ones among officials. The fact that most governments have been coalition governments (and often minority governments) has increased the importance of information coordination mechanisms.

Citation:

Jørgen Grønnegård Christensen, Peter Munk Christiansen og Marius Ibsen, Politik og forvaltning, 4. udgave, Hans Reitzels Forlag, 2017.

Evidence-based Instruments

RIA Application
Score: 8

For all proposed legislation and administrative regulations there is an explicit requirement for impact assessments to determine economic consequences for state and local governments, administrative consequences, effects on business and environmental impact. The relation to EU legislation must also be assessed.

Thinking about consequences starts during the initial consideration of a new law or regulation (screening stage) and continues while the content and degree of new measures are considered (scoping stage). A detailed RIA is then worked out during the final stage (assessment stage).

Hence, RIAs have become a required part of Danish policy formulation. The extent to which existing regulations are regularly assessed depends on the regulation in question and the feedback the administrative agency gets.

When new legislation is based on EU legislation the impact assessment will be included in the document (samlenotat) that goes to the European Affairs Committee in the parliament. According to a rough estimate, about 40% of new Danish legislation is based on or related to EU regulations.

In recent years, studies have focused more on analyzing the effectiveness of policy initiatives in, for example, labor market and social policies. To assess labor market policies there has even been some experimental studies (e.g., in relation to activation programs).

Citation:

Prime Minister's Office (Statsministeriet), Cirkulære om bemærkninger til lovforslag og andre regeringsforslag og fremgangsmåden ved udarbejdelse af lovforslag, redegørelser, administrative forskrifter m.v., No. 159, 16. september 1998, <https://www.retsinformation.dk/Forms/R0900.aspx?s21=cirku%C3%A6re+om+bem%C3%A6rkninger+til+lovforslag+og+andre+regeringsforslag+og+fremgangsm%C3%A5den&s19=159&s20=1998&s22=10&s113=0> (accessed 20 April 2013).

Ministry of Finance, Vejledning on konsekvensanalyser, Maj 2005, <http://www.lovprocesguide.dk/sw2104.asp> (accessed 20 April 2013).

Ministry of Finance, "Ny EU-regulerings økonomiske konsekvenser for den offentlige sektor," <http://www.fm.dk/publikationer/2004/budgetredegoerelse-2004/7-ny-eu-regulerings-oekonomiske-konsekvenser-for-den-offentlige-sektor/> (Accessed 2 May 2013).

Maibom, J., M. Svarer and M. Rosholm, 2014, Can active labor market policies combat youth unemployment, *Nordic Economic Policy Review*, 215-262.

Quality of RIA
Process
Score: 9

The ministry in charge of preparing a specific piece of legislation or regulation includes relevant stakeholders in the RIA process, such as affected ministries and interest organizations. If, for instance, a proposal is expected to involve

costs for business, the Ministry of Business would be consulted. The ministry would also consult with business interests. The proposal to be submitted to the legislature would list all departments, agencies and organizations that had been consulted. The rules require the assessment to be in non-technical language so that it is accessible to the public. The corporatist aspect of preparing laws may have decreased in the last decade, but organizations are still very involved in administrative structures.

There is a strong tradition of publishing impact assessments as reports or special publications. In addition, parliamentary committees and members of parliament can request further information and documentation.

After new legislation enters into force, feedback from stakeholders, the broader public and media are taken seriously by members of parliament.

Citation:

Cirkulære om bemærkninger til lovforslag og andre regeringsforslag og om fremgangsmåden ved udarbejdelse af lovforslag, redegørelser, administrative forskrifter m.v. <https://www.retsinformation.dk/Forms/R0710.aspx?id=20940> (accessed 3 May 2013).

Jørgen Grønnegård Christensen, Peter Munk Christiansen and Marius Ibsen, Politik og forvaltning. 4th edition. Copenhagen. Hans Reitzels Forlag, 2017.

Sustainability
Check
Score: 9

The RIAs have to cover all consequences, whether they be positive or negative, of an economic, administrative and environmental nature, affecting the state, municipalities, regions, business, citizens and relations to the European Union. This includes questions of sustainability. Sustainability is a central concern in government policy and includes economic, fiscal as well as environmental sustainability.

Citation:

Cirkulære om bemærkninger til lovforslag og andre regeringsforslag og om fremgangsmåden ved udarbejdelse af lovforslag, redegørelser, administrative forskrifter m.v. <https://www.retsinformation.dk/Forms/R0710.aspx?id=20940> (accessed 3 May 2013).

Societal Consultation

Negotiating
Public Support
Score: 9

There is a long tradition of involving economic and social actors at all stages of the policy cycle, sometimes even in the implementation phase. Both formally and informally, there are valuable contacts between the government and main interest organizations (e.g., trade unions, employers, various business organizations and NGOs) as well as heads of major companies. This is also formalized in terms of the Economic Council, where the large organizations are represented. Interest organizations provide important information for politicians and civil servants. Corporatism still plays a role, although it has changed over

the years. Recent examples of tripartite cooperation between the government, labor unions and employers include initiatives to improve the integration of immigrants into the labor market, and life-long learning. Engaging societal actors is a way for the government to gain information and create legitimacy for adopted policies.

Citation:

Henning Jørgensen, *Consensus, Cooperation and Conflict: The Policy Making Process in Denmark*, 2002.

Jørgen Grønnegård Christensen et al., *Politik og forvaltning*. 4. udg., 2017.

Jørgen Grønnegård Christensen and Jørgen Elklit (eds.), *Det demokratiske system*. 4. udgave. Hans Reitzels Forlag, 2016.

Policy Communication

Coherent
Communication
Score: 8

It is important for a government to effectively communicate its policies to its citizens. In Denmark, communication strategy and media attention have become important aspects of politics, and political survival depends on efficient communication. Good communicators are more likely to get ministerial posts than poor communicators. The PMO plays an important role in communication, but many ministries have upgraded and employ media advisers.

There are only a few examples of ministers speaking out on issues that were not in accordance with the government's policy. In such cases, the prime minister will act swiftly and a corrective statement will follow from the minister in question – or he or she will most likely be replaced.

However, the fact that Denmark usually has coalition governments can in some cases create problems in policy communication. This may arise both due to different viewpoints within the coalition and the need for the different government parties to communicate their views and visions, especially as the next election approaches. Even in one-party governments, which are rare in Denmark, different ministers may put emphasis on different aspects of a policy issue. However, one should expect fewer inconsistent statements from ministers in a one-party government than a multiparty government. In the current government, the three coalition parties all feel a need to communicate their policy positions, even if the agreed government basis (*regeringsgrundlag*) will impose strict limitations.

Citation:

Henning Jørgensen, *Consensus, Cooperation and Conflict: The Policy Making Process in Denmark*, 2002.

Jørgen Grønnegård Christensen et al., *Politik og forvaltning*. 4. udg., 2017.

Government
Efficiency
Score: 8

Implementation

The current as well as former governments have been minority governments. They have therefore had to seek parliamentary support for their policies from other parties. The Liberal-Conservative government of Lars Løkke Rasmussen lost the elections in September 2011 to a coalition of the Social Democratic Party, the Social Liberal Party and the Socialist People's Party, the latter for the first time taking part in a government. That government was headed by the first female prime minister, Helle Thorning-Schmidt (Social Democratic Party). The June 2015 elections led to the formation of a single party government: the Liberal Party government led by Lars Løkke Rasmussen. In the autumn 2016, a minority government was established between the Liberal Party, the Conservative Party and the Liberal Alliance, still with Rasmussen as prime minister. This is a minority government with parliamentary support from the Danish People's Party. Together these so-called blue parties have 90 seats in the parliament, a majority of one.

The Danish government administration has a reasonable track-record in implementation. It is important to point out that local governments carry out a large part of implementation, as Denmark is a relatively decentralized state. Decentralized units provide much of the services of the welfare state and the intention is actually to allow some geographical variation. Even so, through stipulations in framework laws and budget constraints, the government is quite successful in steering agencies and administrative bodies even if they are not in a direct hierarchical relationship with the central government.

In recent years, however, tensions have developed between the municipalities and government. Specifically, tensions have resulted when policymakers at the national level have not accepted the choices made by local governments and thus attempted to control local actions via rules and regulations. The difficult financial situation in most municipalities and the need to coordinate local needs with national budget constraints have caused tension. In the past, the municipalities failed to keep expenditure growth below the level agreed to with the central government. As a consequence, a tighter system has been implemented that includes possible financial sanctions for municipalities that exceed the agreed targets.

A major structural reform effective in 2007 changed the organization of the public sector. Fifteen counties were replaced with five regions, that were mainly responsible for health care provision, and 270 municipalities merged into 98 larger units.

	<p>Citation: Jørgen Grønnegård Christensen et al., Politik og forvaltning, 4. udg., 2017, chapter 2.</p> <p>Jørgen Grønnegård Christensen and Jørgen Elklit (eds.), Det demokratiske system. 4. udg., Hans Reitzels Forlag, 2016.</p>
<p>Ministerial Compliance Score: 9</p>	<p>Denmark has parliamentary rule. The government can be forced to retire any time if in the minority in parliament. The prime minister is the leader of the government, and he or she does not allow ministers to pursue interests that are not compatible with the declared goals of the government. Close scrutiny by parliament, including by parliamentary committees and an attentive press, seldom lets rogue ministers behave this way for long. The prime minister can both fire and promote ministers, so there are incentives to do what the prime minister expects. Party members can of course revolt against a prime minister, but this happens rarely in Denmark. There is a high degree of party discipline.</p>
	<p>Citation: Carsten Henrichsen, Offentlig Forvaltning. 2. ed. Copenhagen: Forlaget Thomson, 2006.</p>
<p>Monitoring Ministries Score: 8</p>	<p>For sensitive political issues, the prime minister has a strong incentive to monitor line ministries. Yet when it comes to less important issues or details, he or she has neither the time nor the means for close monitoring. The prime minister's control is indirect. It is exercised through the members of the cabinet. Non-implementation will quickly become a political issue.</p>
	<p>Citation: Jørgen Grønnegård et al. Politik og forvaltning. 4. ed., 2017.</p>
<p>Monitoring Agencies, Bureaucracies Score: 8</p>	<p>Executive agencies have some autonomy, but given the formal norms of minister rule, the minister is ultimately responsible for what happens in the agencies. It is therefore in a minister's political interest to monitor activities closely.</p>
	<p>The work of the agencies is often based on specialized expertise; as long as an issue is not politicized, the minister will normally defer to the decisions made by the agencies.</p>
	<p>Citation: Jørgen Grønnegård Christensen et al., Politik og forvaltning. 4. udgave, 2017.</p>
<p>Task Funding Score: 8</p>	<p>Part of the income tax paid in Denmark is a municipal tax and municipalities have discretionary powers to set the taxes. The municipalities also receive funding from the state (bloktilskud), and there is an equalization arrangement that reallocates funds from richer to poorer municipalities. There are annual</p>

negotiations with both the municipalities and regions about the financial framework agreement. Since municipalities act independently – though coordinated via their organization (Kommunernes Landsforbund) – the budget decisions of the municipalities have not always been consistent with the overall targets set by the Ministry of Finance. This implied for some years that expenditure growth exceeded targets. This has led to a new system – part of the Budget Law approved by parliament in 2012 – which includes financial sanctions. The sanctions have both an individual and collective element. If the sum of expenditures exceeds the agreed target, the “bloktilskud” is reduced by an equivalent amount. This reduction is levied 60% on the municipalities which exceeded expenditure targets and 40% on all municipalities (distributed according to population size). The new system has been very effective and municipalities have been well within targets in recent years. Since 2002, municipalities have been part of a so-called tax freeze implying that taxes (e.g., income and building sites) cannot increase. If one municipality increases some tax it should be matched by a decrease in another municipality.

Many municipalities currently find themselves in a very tight financial situation and have had to reconsider resource use on core activities like child- and old-age care and schooling.

Citation:

Jørgen Grønnegård Christiansen et al., Politik og forvaltning, 4. udg., 2017.

Andersen, T.M., J. Bentzen, S. E. Hougaard Jensen, V. Smith and N. Westergaard-Nielsen, The Danish Economy in a global perspective, Copenhagen: DJØF Publishing, 2017.

Constitutional
Discretion
Score: 8

Section 82 of the Danish constitution dictates that “The right of municipalities to manage their own affairs independently, under state supervision, shall be laid down by statute.”

The constitution thus assumes some autonomy of municipalities, but leaves it to parliament to determine the scope. Indeed, in a comparative perspective, Denmark is a decentralized state, but it is not a federal state. In recent years there has been a tendency to curtail the effective discretion of lower layers in the public sector, in particular the municipalities. The parliament can, at any time, change the scope of local autonomy and its organization. The regions are mainly responsible for health care provision and regional development, while the municipalities have a wider range of tasks. They are the main provider of welfare services (e.g., schools, day care, care for the elderly, libraries, sports and roads) and play an important role in implementing employment policies (e.g., job-centers).

Citation:

Jørgen Grønnegård Christiansen et al., Politik og forvaltning, 4. udg., 2017.

Carsten Henriksen, Offentlig Forvaltning, 2006.

National
Standards
Score: 9

National laws set standard with varying degrees of discretion for local authorities. The central government can supervise whether standards are met through benchmarks and tests and can require that performance indicators be published, such as hospital waiting lists, school performance results, and so on. Here, too, an active press plays a role in exposing problems, and the central government, which is ultimately responsible politically, can intervene by setting stricter standards or transferring extra money to certain activities. Rhetorical action, such as shaming underachievers, is also sometimes part of the strategy.

An example of the tension between central government concerns for welfare arrangements and local authorities' push for flexibility and freedom are proposals to introduce minimum standards for various public services, which intend to reduce variation across the municipalities.

Citation:

Jørgen Grønnegård Christensen et al, Politik og forvaltning. 4th ed., 2017.

Adaptability

Domestic
Adaptability
Score: 9

Being a small and open economy, Denmark has a long tradition of participating in international cooperation. The most intrusive form of international/supranational cooperation is Denmark's membership of the European Union. Since joining in 1973, an elaborate system of coordination within government administration has developed. It involves all affected ministries and agencies, and often also interest organizations. In parallel, the European Affairs Committee in the parliament (Folketinget) has become an efficient democratic control of Danish-EU policy. Denmark speaks with one voice in Brussels.

Citation:

Finn Laursen, "Denmark: in pursuit of influence and legitimacy," in Wolfgang Wessels, Andreas Maurer and Jürgen Mittag (eds.), Fifteen into one? The European Union and its member states. Manchester, Manchester University Press, 2003, pp. 92-114.

Rasmus Brun Pedersen et al., "Dansk europapolitik og det danske EU-koordinationsystem." in Jørgen Grønnegård and Jørgen Elklit (eds.), Det demokratiske system. 4. ed., Reitzels, 2016, pp. 248-284.

International
Coordination
Score: 9

For a small country, Denmark has a strong role in the provision of the global public good. Climate change and development aid are high on the domestic agenda and the government tries to play an active international role in these areas. Denmark also has a long tradition of working to strengthen the United Nations, often cooperating with other Nordic countries to do so. This policy is relatively uncontroversial, unlike European integration.

As an EU member state, Denmark's possibilities increasingly depend on the European Union. Since the European Union in recent years has adopted a relatively "progressive" environmental policy and has tried to exercise international leadership, there is no conflict in this area. When it comes to development aid Denmark, is among the countries that contribute the highest percentage of GDP to development aid, see discussion above.

Denmark is also a global actor in other economic areas, including trade. Danish politicians are proud of projecting Danish values internationally.

There is a long tradition for Nordic cooperation within various policy areas. The Nordic Council of Ministers is the official inter-governmental body for cooperation in the Nordic region. The council takes various initiatives on Nordic cooperation and there are regular council meetings where representatives of the Nordic governments meet to draft Nordic conventions and other agreements.

Citation:

Carsten Due-Nielsen and Nikolaj Petersen, eds., *Adaptation and Activism: The Foreign Policy of Denmark 1967-1993*. Copenhagen, DJØF Publishing, 1995.

Martin Marcussen, *Den danske model og globaliseringen*. Frederiksberg: Samfundslitteratur, 2010.

Kristian Fischer and Hans Mouritzen (eds.) *Danish Foreign Policy Yearbook 2017*. Copenhagen: Danish Institute for International Studies, 2017.

Organizational Reform

Self-monitoring
Score: 8

There have been ongoing discussions on monitoring and management within the public sector. Given the size of the sector, this has important economic implications, and tighter budgets have made these issues more visible in recent discussions and policy initiatives. The government's economic strategy relies on substantial improvements in productivity within the public sector. The current government has formulated an ambitious plan to improve efficiency in the public sector at the same time as tightly monitoring budgets.

The current public management and governance strategy includes contracts, result-oriented salaries, measurements, evaluations and efficiency reports.

The agency for modernization at the Ministry of Finance is responsible for innovation and efficiency in the public sector. Its focus is on ensuring both efficiency and productivity within the public sector, broadly defined. The current government includes a minister for public sector innovation. There has been significant effort undertaken to digitalize public administration, including

those services directly interacting with citizens. Annual tax reporting is digitalized and most communication utilizes the e-boks system. Since 1 November 2014, all citizens above 15 years must be connected to Digital Post (there is the possibility to receive physical post, for example, for the cognitively and physically handicapped). Denmark ranks 9th on the United Nation's 2016 list of e-government development index.

Citation:

Niels Ejersbo og Carsten Greve, *Moderniseringen af den offentlige sektor*. Copenhagen: Børsens Forlag, 2005.

“90-årig mand taber sag: Glemte at tjekke sin e-Boks - og så faldt hammeren,” <http://www.bt.dk/danmark/90-aarig-mand-taber-sag-glemte-at-tjekke-sin-e-boks-og-saa-faldt-hammeren> (Accessed 17 October 2016).

UN E-government development index, <https://publicadministration.un.org/egovkb/en-us/Reports/UN-E-Government-Survey-2016>, Accessed December 1st 2016. (Re-accessed 17 October 2017).

Institutional
Reform
Score: 8

The last major reform within the public sector was the structural reform of 2007, which resulted in larger municipalities and fewer regions. In addition, the 2012 Budget Law brought about a different way of managing public finances. Importantly, there is now a system of sanctions vis-à-vis municipalities and regions. The new regime has ensured that public finances remain under control and has, in this sense, achieved its goal. Through the new budgeting system, the government has improved its strategic ability to reach its goals.

There is ongoing discussion on how to improve efficiency and productivity within the public sector. Now major institutional changes have been made to reach these objectives, whereby policies have been changed (e.g., changes within primary schooling).

Citation:

Ejersbo og Greve, *Modernisering af den offentlige sektor*, Børsens forlag, 2005.

The Danish Government, *Denmark's National Reform Programme*, May 2011. http://ec.europa.eu/europe2020/pdf/nrp/nrp_denmark_en.pdf (accessed 27 April 2013).

Lene Dalsgaard and Henning Jørgensen, *Kvaliteten der blev væk: Kvalitetsreform og modernisering af den offentlige sektor*. Copenhagen: Frydenlund, 2010.

Carsten Greve and Niels Ejersbo, *Udviklingen i styringen af den offentlige sektor*. Baggrundspapir til Produktivitetskommissionen. <http://produktivitetskommissionen.dk/media/142136/Baggrundsnotat%20af%20Greve%20og%20Ejersbo.pdf> (Accessed 22 October 2014).

II. Executive Accountability

Citizens' Participatory Competence

Policy
Knowledge
Score: 8

Citizens get most of their information on government policy developments through television, radio, newspapers, news websites and social media. Government documents are, as a rule, freely accessible via the internet, and published work is also often free. Documents can further be read in public libraries, of which there are many. Mail from the public is nearly exclusively going to Digital Post mailboxes. These are now mandatory for businesses and for citizens (with a few exceptions for the latter). Already most public services require online applications using a so-called easy ID (NemID).

In addition to the formal access to information, there is the critical question whether the information available is in a form comprehensible by most citizens. In many policy areas the level of technicalities and complexities is rather high, which is a barrier for citizens to adequately assess government policymaking. This is partly solved via independent institutions like the Economic Council and the Panel on Money and Pensions which serve an agency role on the part of citizens in terms of assessing government policymaking.

Election campaigns serve the purpose of presenting and debating the policies of the government as well as the opposition. A very high turnout during national elections (87.74% of eligible voters turned out for the 2011 election and 85.89% for the 2015 election) suggests a high degree of interest and enough knowledge to consider voting important. In the EU context, Danes are considered among the most knowledgeable about EU issues (partly due to the use of referendums), but turnout at elections for the European Parliament are much lower than for national ones (turnout for EU elections in 2014 was 56.32%), presumably because the issues in the former are considered less important. The bread-and-butter questions of national Danish politics – jobs, health, education, pensions and so on – inspire citizens to seek information and take part in politics.

Citation:

Lise Togeby et al., *Power and Democracy in Denmark. Conclusions*. Århus: Magtudredningen, 2003.

“Voter turnout data for Denmark,” <http://www.idea.int/vt/countryview.cfm?CountryCode=DK> (accessed 8 October 2015)

“Denmark mandates digital postboxes,” <http://www.itnews.com.au/News/365479,denmark-mandates-digital-postboxes.aspx> (accessed 22 October 2014).

Legislative Actors' Resources

Parliamentary
Resources
Score: 8

Parliamentary committees have staff, as do political parties. The parliament also has its own library and recently opened a (small) unit offering consultation on economic issues. In 2015, the total parliamentary staff was 430, which is not huge. More than a quarter of staff are secretaries, a little less than a quarter are academic staff, followed by security personnel and IT staff. In general, the members of parliament depend a lot on the government for information and expertise. To gather information, they ask written and oral questions of ministers, and use hearings, independent sources as well as contacts within interest organizations and think tanks. There is, however, no tradition in Denmark for major independent investigations initiated by the parliament. This can weaken its power in the political game vis-à-vis the government. Party discipline is also a strong factor in Danish politics, which can weaken individual members' possibilities.

Citation:

Anders Henriksen, "Folketinget er for svagt i forhold til regeringen," *Politiken*. 24 August 2010. <http://politiken.dk/debat/kroniken/article1042660.ece> (accessed 26 April 2013).

Året der gik i Folketinget: Beretning om Folketingsåret 2014-2015. http://www.ft.dk/Folketinget/~media/PDF/om_folketinget/Aarsberetning/Aarsberetning_2014_15/Året%20der%20gik%20i%20Folketinget%202014-15.pdf.ashx (Accessed 17 October 2016).

Året der gik i Folketinget: Beretning om Folketingsåret 2015-2016. http://www.ft.dk/~media/sites/ft/pdf/publikationer/aarsberetning/aaret-der-gik-i-folketinget-2015_16.ashx (Accessed 19 October 2017).

Folketingets administration, http://www.ft.dk/Folketinget/Folketingets_administration.aspx (Accessed 1 December 2016).

Jørgen Grønnegård Christensen and Jørgen Elklit (eds.), *Det demokratiske System*. 4. udg. Chapter 4. Hans Reitzels Forlag, 2016.

Obtaining
Documents
Score: 9

Parliament is entitled and granted access to most government documents. There are internal ministry documents, however, that are not made available. This is occasionally criticized by some politicians, especially from the opposition. However, ministers and ministries know that it is politically important to heed parliament requests. Documents may be stamped confidential, but, in general, most committee documents are publicly available.

Citation:

Henrik Zahle, *Dansk forfatningsret 1: Institutioner og regulering*. Copenhagen: Christian Ejlers' Forlag, 2005.

Folketinget, Håndbog i Folketingsarbejdet. Oktober 2015. http://www.ft.dk/dokumenter/publikationer/folketinget/haandbog_i_folketingsarbejdet_2011.aspx (accessed 22 October 2014).

Summoning
Ministers
Score: 10

Committees regularly summon ministers for meetings, called consultations (samråd). These meetings are key elements of how the Danish parliamentary system works. Consultations play an important role in the legislative process for members of parliament. At the same time, the meetings are where the People's Assembly exercises its parliamentary control of the government.

Citation:

Henrik Zahle, Dansk forfatningsret 1: Institutioner og Regulering, 2005.

Henrik Zahle, Dansk forfatningsret 2: Regering, forvaltning og dom, 2004.

Summoning
Experts
Score: 9

Normal committee meetings take place behind closed doors. However, committees can decide to hold open meetings – including ones without the minister present – and invite experts from outside, as well as civil servants and representatives from interest organizations to explore and discuss issues. Such meetings are also open to the press.

Committees may also decide to conduct larger hearings, sometimes in cooperation with the Danish Board of Technology or other organizations. Such hearings normally take place in the room in which the former second chamber of the Danish parliament, the Landsting, met until it was abolished by the new constitution in 1953. To learn more about the issues they legislate, members of parliament also go on study trips and take part in conferences.

Citation:

Folketinget, Håndbog i Folketingsarbejdet. October 2015.

http://www.ft.dk/Dokumenter/Publikationer/Folketinget/~/_media/Pdf_materiale/Pdf_publikationer/Folketinget/H%C3%A5ndbog%20i%20folketingsarbejdet_web_7%20MB.pdf.ashx (accessed 24 April 2013).

Task Area
Congruence
Score: 8

The committee structure largely corresponds to the structure of ministries. The Ministry of Social Affairs, for instance, corresponds to the social affairs committee in the parliament (Folketinget). The Ministry of Taxation corresponds to the fiscal affairs committee in the assembly. Other committees, for instance, deal with energy, defense, culture, environment, health care and education, and have strong ties to the applicable minister.

A few committees do not have a direct parallel, such as the European Affairs Committee. Although the Ministry of Foreign Affairs is responsible for coordinating EU policy, the European Affairs committee will have consultations (samråd) with all ministers that take part in EU council meetings, and seek a mandate for upcoming negotiations in the council. This may create internal coordination problems in the parliament, between the European Affairs committee and the committees dealing with the substance of EU legislation (fagudvalg).

Citation:

Folketinget, Håndbog i Folketingsarbejdet. Oktober 2015. http://www.ft.dk/dokumenter/publikationer/folketinget/haandbog_i_folketingsarbejdet_2011.aspx (Accessed 22 Oktober 2014).

Finn Laursen, "The Role of National Parliamentary Committees in European Scrutiny: Reflections based on the Danish Case," in Katrin Auel and Arthur Benz, eds. *The Europeanisation of Parliamentary Democracy*. Abingdon: Routledge, 2006, pp. 110-125.

Audit Office
Score: 10

The national audit office, Rigsrevisionen, is an independent institution under the authority of parliament. It examines the soundness of state accounts and assesses whether institutions have applied funds in the best possible ways. The Rigsrevisionen may initiate investigations on its own initiative, but more often on the request of the State Auditors (Statsrevisionerne), the parliamentary audit office. The work is made public via various reports, some of which also attract quite a lot of media attention. Its work is highly respected and can lead to policy action. This was seen recently, for instance, with the report on the principles for the valuation of housing underlying the tax levied on housing values (ejendomsværdiskatten). The issue of valuation of real estate for tax purposes remains a political issue in connection with the government's 2025 plan.

Citation:

Hentik Zahle, *Dansk forfatningsret*, 2.

Website of national audit office: <http://www.rigsrevisionen.dk/> (accessed 20 October 2017).

Ombuds Office
Score: 10

In 1955, Denmark became the third country in the world, after Sweden and Finland, to introduce the institution of the ombudsman. The ombudsman is appointed by parliament and the office is an independent institution. Citizens can complain to this office about decisions made by public authorities. The office, which had a staff of approximately 100 in 2014, can also initiate investigations on its own and visit other institutions. The ombudsman produces an annual report.

In 2015, there were 4,999 cases, 1,009 were investigated, 3,019 went through other forms of processing and assistance to citizens, and 832 were rejected for formal reasons. In 2016, 4,682 cases were concluded: 18.6% were rejected for formal reasons, 18.1% were investigated, and 63% led to other forms of processing and assistance to citizens. The largest proportion of complaints were about municipalities (1,226 cases), while 177 cases were directed against the Ministry of Immigration and Integration. Regarding other government ministries or agencies, the largest numbers concerned the police (132 cases), the tax administration (121 cases) and state prisons (119 cases).

In a recent special report on IT solutions in the public sector the office found in 2014 that there had been a number of cases where IT solutions had not measured up to requirements in administrative law.

Distinguished law professors have held the position of ombudsman, especially in the early years. Criticisms from the ombudsman normally leads to a change in practice or policy. In short, the ombudsman's views have very high credibility and respect.

Citation:

Henrik Zahle, Dansk forfatningsret 2.

Web site of the Danish Parliamentary Ombudsman: <http://en.ombudsmanden.dk/> (accessed 20 October 2017).

The Danish Parliamentary Ombudsman, Annual Report 2015. http://beretning2015.ombudsmanden.dk/english/annual_report_2015/ (Accessed 17 October 2016)

The Danish Parliamentary Ombudsman, Annual Report 2017. http://beretning2016.ombudsmanden.dk/english/annualreport_2016/ (accessed 20 October 2017).

"Public Sector IT Solutions. Administrative Law Requirements," http://en.ombudsmanden.dk/publikationer/public_sector_it_solutions_september_2014_/ (accessed 22 October 2014).

Media

Media Reporting
Score: 8

As in other democracies, the media plays an important role in Denmark. Some have argued that the media constitutes a fourth power, next to the legislative, executive and judiciary powers in modern democracies; and that journalists play the role of citizen advocates vis-à-vis public authorities. The media partly have power, through editorial decisions. Like media outlets elsewhere, the Danish media shows a tendency to make the news easier for the public to relate to by simplifying or personalizing the stories reported, and emphasizing an element of conflict. In editorial decisions about who or what is covered, there appears to be a tendency to favor top politicians and government representatives. Weaker actors, such as immigrant representatives or ethnic minorities, get less coverage, although immigration stories have become important in recent years and now form part of daily news coverage.

Apart from daily news programs, some television and radio stations offer more analytical programs where issues can be analyzed in depth. Some of these programs can be quite informative. It is worth mentioning that the education of journalists has improved in recent years.

Overall, the Danish media tend to focus more attention on national news than international news, including issues regarding the European Union. Traditional media face increasing competition from alternative news sources (e.g., news websites and social media) and their financing is declining due to falling advertisement revenue. Policymakers are increasingly using social media (e.g., Twitter) to make policy statements.

Media access to internal government documents has been a sensitive issue because of changed legislation regarding the access to such documents (offentlighedsloven). The new law entered into force 1 January 2014. The two aspects of the new law most criticized were the possibility of the government denying access to internal documents exchanged between a minister and experts (Art. 24) and between a minister and a member of the parliament (art. 27). The law will be evaluated after its third year.

There is currently a debate about the funding of public TV and radio – through a near-universal license fee, irrespective of public TV and radio consumption. Some actors argue that this public service should be paid through taxes, while others argue that the main operator, Danmarks Radio, goes well beyond public service and that its support should be reduced.

Citation:

Peter Munk Christiansen og Lise Tøgeby, *Magten i Danmark*. Copenhagen: Gyldendal.

“Fakta om ny offentlighedslov,” <http://www.politiko.dk/nyheder/fakta-om-ny-offentlighedslov> (accessed 23 October 2014).

“Ny offentlighedslov – ny praksis for journalister,” <http://www.aabenhedstinget.dk/ny-offentlighedslov-ny-praksis-for-journalister-2/> (accessed 23 October 2014).

Jørgen Grønnegård Christiansen and Jørgen Elklit (eds.), *Det demokratiske system*. 4. udg. Chapter 7. Hans Reitzels Forlag, 2016.

Parties and Interest Associations

Four of the political parties represented in the Danish parliament, the Liberal Party, the Social Democratic Party, the Social Liberal Party and the Conservative Party have existed for more than 100 years and have all regularly taken part in governments. Since they are either in power or have the prospect of being in the next government, they have a strong interest in proposing plausible and coherent policies, and indeed it is fair to say that they do so. This is reinforced by the fact that most governments are minority governments and the country’s tradition of consensus-driven policies. There is a strong tradition for “broad” compromises and agreements and, therefore, daily politics is less partisan than seen in some other countries.

Newer parties, including the second biggest party currently in the parliament, the Danish People’s Party and the new party The Alternative, may be more tempted to propose popular, even populist, policies. However, parties that have the ambition to be included in a future government have to moderate their views. The Danish People’s Party provided the necessary parliamentary support for the previous liberal-conservative minority government (2009 to 2011) and

Intra-party
Democracy
Score: 8

the current three-party government, and has managed, in this way, to promote some of their core issues (e.g., elderly and immigration policy). Similarly, the Socialist People's Party for the first time became part of the government in 2011, although it had to leave the government in January 2014 because of internal disagreements over the policies pursued by the coalition.

The political parties have a membership structure and are democratic organizations. Parties have annual meetings where policies are determined and leaders elected. They are open to the press and covered widely.

The economic crisis has been a strong structural determinant of government policies in recent years, irrespective of political colors. Since the influx of immigrants and asylum-seekers in the summer of 2015, immigration policy has become one of the biggest issues in Danish politics. Currently, even the Social Democratic Party supports efforts to restrict immigration.

Citation:

Antal medlemmer i partigrupperne, <http://www.ft.dk/Folketinget/findMedlem/Mandatfordelingen.aspx> (accessed 10 October 2015)

Jørgen Grønnegård Christensen and Jørgen Elklit (eds.), *Det demokratiske system*. 4. udg., Chapter 3. Hans Reitzels Forlag, 2016.

Websites of the Danish political parties currently represented in the parliament (Folketinget) in order of representation after the June 2015 election:

The Social Democratic Party: www.socialdemokratiet.dk

The Danish People's Party: www.danskfolkepart.dk

The Liberal Party: www.venstre.dk

The Unity List: www.enhedslisten.dk

The Liberal Alliance: <http://liberalalliance.dk>

The Alternative: <http://alternativet.dk/>

The Social Liberal Party: www.radikale.dk

The Socialist People's Party: www.sf.dk

The Conservative Party: www.konservative.dk

Association
Competence
(Business)
Score: 9

Interest organizations play an important role in Danish politics. Policies proposed by the major interest organizations are of course important for the group they represent. They may not be quite as important, however, for society at large, or for the collective interest. That is why the government must aggregate the views of various interest organizations.

Given the corporatist tradition in Denmark, the major interest organizations are regularly involved in policymaking. The most recent examples include initiatives focusing on the employment of immigrants and life-long learning. This tends to educate them to moderate their policy proposals. Interest groups know they will lose influence if they propose policies that are seen as unreasonable; they realize that they have an interest in getting things to work. The trade unions also learned at some point that demanding very high raises in

salaries will produce inflation and job losses and thus be counterproductive. They too have a tradition of being quite responsible and negotiating in good faith.

Citation:

Peter Munk Christiansen og Lise Togeby, *Magten i Danmark*. Copenhagen: Gyldendal, 2005.

Jørgen Grønnegård Christensen og Jørgen Elklit (eds.), *Det demokratiske system*. 3. udgave. Hans Reitzels Forlag, 2013.

Association
Competence
(Others)
Score: 8

There is a long corporatist tradition in Denmark, which includes non-economic interest associations. The major interest organizations are often members of committees and commissions preparing legislation. They provide information for the government and legitimacy for the policies adopted, thereby facilitating implementation. Some civil society organizations may find it more difficult than business organizations to get access to the government.

Despite occasional criticism of the role of experts and commissions, they remain important.

When laws are passed without having been prepared through corporatist committees, the interest organizations have to lobby more – by making direct contact with civil servants and politicians – so as to influence policies, possibly arranging demonstrations. The fact remains, however, that the administration needs input from outside when legislation is prepared. In other words, there is a common interest in continuous dialog.

Citation:

Peter Munk Christiansen og Lise Togeby, *Magten i Danmark*. Copenhagen: Gyldendal.

Jørgen Grønnegård Christensen og Jørgen Elklit (eds.), *Det Demokratiske system*. 4. udg. 2016.

Address | Contact

Bertelsmann Stiftung

Carl-Bertelsmann-Straße 256
33311 Gütersloh
Germany
Phone +49 5241 81-0

Dr. Daniel Schraad-Tischler

Phone +49 5241 81-81240
daniel.schraad-tischler@bertelsmann-stiftung.de

Dr. Christof Schiller

Phone +49 5241 81-81470
christof.schiller@bertelsmann-stiftung.de

Dr. Thorsten Hellmann

Phone +49 5241 81-81236
thorsten.hellmann@bertelsmann-stiftung.de

Pia Paulini

Phone +49 5241 81-81468
pia.paulini@bertelsmann-stiftung.de

www.bertelsmann-stiftung.de
www.sgi-network.org