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Sustainable Governance **Indicators 2019** 



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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 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.

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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 social assistance scheme has been changed, including the residence and employment requirements, and the cap on total support, which particularly affects migrants from low-income countries outside Europe.

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 optout position on justice and home affairs. A special agreement on Danish cooperation with Europol was reached in April 2017.

# Key Challenges

Being 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.

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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 change (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. The labor market possibilities for low-skilled workers is a particular challenge.

Second, 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 ability to reconcile low inequality and an extensive public sector with a well-functioning economy supporting 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

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2000. Denmark is not a member, but pursues a tight, fixed exchange rate policy by pegging the Danish krone 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.

# Party Polarization

There is a degree of party polarization in Denmark, between the "blue" block led by the Liberal Party and the "red" block led by the Social Democrats. These blocs are not monolithic. Although the Danish Peoples' Party gives parliamentary support to the current Liberal-led government, it also flirts with the Social Democrats with whom they have affinities on immigration and social policies. On the left side, it is currently unclear how much the Social Liberal Party and the Alternative party will support a future Social Democratic party. So the situation is somewhat fluid and could lead to difficult negotiations about forming a new government after the upcoming elections, which must take place before June 2019.

Because of the relatively large number of parties represented in the parliament (currently nine plus representatives from the Faroe Islands and Greenland), even coalition governments are nearly always minority governments obliged to seek broader coalitions to pass particular pieces of legislation. Danish politicians have therefore developed negotiating skills and coalition-making capacities allowing for cross-party agreements on most policy reforms. (Score: 9)

### Citation:

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

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# Policy Performance

## I. Economic Policies

## **Economy**

Economic Policy Score: 9

The economy has now fully recovered from the Great Recession, and actual output is currently slightly above capacity output (positive output gap). 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. Per capita income has grown more than in most other countries, not least due to terms of trade improvements. Productivity growth is low by historic comparison, but similar to the OECD average.

The Danish labor market is characterized by rather high levels of turnover and flexibility. Remaining unemployment is mainly structural and concentrated on specific groups, mainly low-skilled workers (among whom immigrants are overrepresented). The social safety net and labor market policies have recently been reformed to strengthen work incentives. Challenges relate to ongoing technological change and globalization.

Public finances are meeting budget norms, although only by a small margin for the last few years. Fiscal policies are considered sustainable, as 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 are increasingly turning to the risk of overheating. Structural discussions focus on ensuring that the labor force has the right mix of qualifications as well as the problems of improving the position of immigrants in the labor market. Efforts to improve productivity

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raise questions concerning education, research, industrial and tax policies. While the conditions for fiscal sustainability are met, there are political discussions about the appropriate balance between taxes and expenditures. On the expenditure side, there is much discussion about demographic change (aging) and increasing demand, not least on health care.

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 2018.

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"Ny 2025-plan: Med disse fem greb vil regeringen få danskerne til at arbejde mere," https://www.b.dk/politiko/ny-2025-plan-med-disse-fem-greb-vil-regeringen-faa-danskerne-til-at-arbejde-mere (accessed 22 Octiber 2017).

## **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. While the Danish labor market was severely hit by the financial crisis, the key feature of the flexicurity models remain intact and unemployment is back to the low level reported before the financial crisis. Wage formation has proven rather flexible and adaptable to the economic situation. 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

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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:

Danish Economic Councils, The Danish Economy, Various issues. Latest issue: Autumn report 2018,

Ministry of Economic Affairs, Economic Survey – August 2016. https://uk.fm.dk/publications/2016/economic-survey-august-2016. (Accessed 22 October 2016).

Andersen, T.M., 2017, The Danish labor market, 2000-2016, IZA World of Labor, 2017:404.

### **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

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a contributing factor to the house price boom prior to the financial crisis. In 2017, a "house-tax" reform was approved, but its implementation has been postponed. 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 homeowner will experience an increase in tax on their property.

Further reductions in labor taxation were discussed, but political views differed regarding whether they should target low-income or high-income groups (lowering the top marginal tax rate). In the run-up to the upcoming parliamentary elections (which must take place before June 2019), it looks as if tax reductions have been put on the back burner to the chagrin of the Liberal Alliance party, which has been the leading advocate of tax reductions. The prime minister did not discuss taxes in his opening speech to the parliament on 2 October 2018.

#### Citation:

Andersen, T.M., J. Bentzen, S.E. Hougaard Jensen, V. Smith, and N. Westergaard-Nielsen og, The Danish Economy – In a global perspective, DJØF, 2017.

De Økonomiske Råd, Dansk Økonomi. Autumn 2018.

## **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 slightly below the norm of 0.5% in 2018. 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.

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In short, when compared to other OECD countries, public finances in Denmark are in relatively good shape. However, 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 care). Hence, some pressure on public finances can be expected.

#### Citation:

Danish Economic Councils, The Danish Economy, Various issues. Latest issue: Autumn 2018 report.

Økonomi og Indenrigsministeriet,, Økonomisk Redegørelse, August 2017.http://www.oim.dk/media/18744/oekonomisk-redegoerelse-august-2017.pdf. (Accessed 4 December 2017)

Prime Minister Lars Løkke Rasmussen's Opening Address to the Folketing on 3 October 20017.http://www.stm.dk/\_p\_14597.html (accessed 5 November 2017).

## Research, Innovation and Infrastructure

R&I Policy Score: 7 Among OECD countries, Denmark has the fourth highest ratio of public R&D spending to GDP, and seventh highest submission rate of patent applications.

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. Though the government subsequently cut public spending on research and education. Spending was reduced in 2016, while further cuts were announced 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.

## Citation:

World Economic Forum, The Global Competitiveness Report 2017-2018. http://www3.weforum.org/docs/GCR2017-2018/05FullReport/TheGlobalCompetitivenessReport2017%E2%80%932018.pdf (accessed 5 November

2017).

Produktivitetskommissionen: www.produktivitetskommissionen.dk

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## Global Financial System

Stabilizing Global Financial System Score: 8 In recent years, regulation of the financial sector has been changed in accordance with EU rules and regulations to increase the resilience, and reduce the risk exposure and likelihood of a public bail-out of financial institutions. Systemically important financial institutions 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 in which case the larger (systemic) financial institutions will fall under the supervision of the European Central Bank (ECB). The government's view is that Denmark should join the banking union, but the leader of the Social Democrats, Mette Frederiksen, has suggested that a referendum on the issue should take place. The prime minister will only support a referendum if it is required by the constitution. According to a note from the Ministry of Justice from 30 April 2015, Denmark can join the banking union without a referendum.

It remains to be seen how the Danske Bank scandal, which involved the whitewashing of money in Estonia, will affect the Danish banking sector.

## Citation:

Danmarks Nationalbank, "Economic-policy cooperation in the EU," http://www.nationalbanken.dk/DNUK/Euro.nsf/side/Economic-policy\_cooperation\_in\_the\_EU!OpenDocument (accessed 2 May 2013).

Kraka Finanskrisekommission, 2014, Den danske finanskrise - kan det ske igen?; København.

Rangvid, J. m.fl. 2013, Den finansielle krise i Danmark - årsager, konsekvenser og læring, report from government appointed commission.

"Løkke om bankunion: Vi skal skynde os langsomt." http://www.dr.dk/nyheder/politik/loekke-om-bankunion-vi-skal-skynde-os-langsomt

"Pyha, Bankunionen er sparket til hjørne," http://www.business.dk/finans/pyha-bankunionen-er-sparket-til-hjoerne (Accessed 23 October 2016).

"Regeringen genovervejer EU's bankunion," http://www.altinget.dk/artikel/regeringen-genovervejer-eusbankunion (Accessed 5 November 2017).

Folketingets EU-oplysning, Bankunion. https://www.eu.dk/da/fakta-om-eu/politikker/oekonomisk-politik/banker (Accessed 11 October 2018).

"Løkke hælder til dansk ja til bankunionen - Socialdemokratiet kræver folkeafstemning," http://nyheder.tv2.dk/politik/2018-11-04-lokke-haelder-til-dansk-ja-til-bankunionen-socialdemokratiet-kræver (Accessed 8 November 2018).

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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

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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.

#### Citation:

Ministry of Education, Improving the Public School - overview of reform of standards in the Danish public school,"

 $http://eng.uvm.dk/\sim/media/UVM/Filer/English/PDF/140708\%\\ 20Improving\%\\ 20the\%\\ 20Public\%\\ 20School.pdf\\ (accessed 17 October 2014)$ 

Ministry of Education, Improving Vocational Education and Training – overview of reform of the Danish vocational system.

 $http://eng.uvm.dk/\sim/media/UVM/Filer/English/PDF/140708\%\\ 20Improving\%\\ 20Vocational\%\\ 20Education\%\\ 20and\%\\ 20Training.pdf$ 

OECD, "PISA 2012 Results in Focus," https://www.oecd.org/pisa/pisa-2015-results-in-focus.pdf (Reaccessed 10 October 2018).

Udvalg for Kvalitet og Relevans i de Videregående Uddannelser, 2014, Høje mål - fremragende undervisning i de videregående uddannelser, København.

"Aftale til 2,5 milliarder til voksen- og efteruddannelse," https://www.dr.dk/nyheder/politik/aftale-til-25-milliarder-til-voksen-og-efteruddannelse-paa-plads (Accessed 7 November 2017).

## Social Inclusion

Social Inclusion Policy Score: 8 Inequality and poverty is low by international comparison, but has been increasing in recent years.

There is an ongoing discussion concerning various marginalized groups, especially the number of working age people who receive public support (having declined from about one million to about 700,000). It is debated whether this decrease can be attributed to business cycle developments or policy initiatives.

Employment rates are high for men and women, but a distinguishing feature of the welfare model is that most people who are 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 people are unable to work due to various issues (e.g., social problems or a lack of qualifications) that make it difficult/impossible for them to find jobs.

Most social transfers have recently been reformed with a greater focus on employment. 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. The reform of the disability pension scheme implies that the SGI 2019 | 14 Denmark Report

disability pension cannot be granted to individuals below the age of 40 (except for cases of severe or 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 (people below the age of 30). For other age groups, the system now offers more flexibility and individualized solutions. Eligibility for social assistance depends on both a residence requirement (with immigrants needing to have been resident in Denmark for nine out of the last 10 years ) and a work requirement (225 hours paid work within the last year). Moreover, there is an upper cap on total support (social assistance, housing supplement, child supplement). Immigrants not satisfying the residence requirement receive the lower so-called introduction benefit.

Finally, assessed in terms of life satisfaction, Denmark scores very well in various international comparisons, sometimes ranking as the happiest country in the world.

John Campbell, "Note to Denmark: Don't Change a Thing," http://www.dartmouth.edu/~vox /0506/0417/denmark.html (accessed 19 April 2013).

"Det betyder kontanthjælpsreformen," http://www.stakato.dk/det-betyder-kontanthjaelpsreformen/ (accessed 19 April 2013).

Ekspertudvalg om fattigdom, 2013, En dansk fattigdomsgrænse - analyser og forslag til opgørelsesmetoder, København.

Økonomisk Råd, 2015, Dansk Økonomi (efterår) København.

Økonomisk Råd, 2016. Diskussionsoplæg 11 oktober. http://www.dors.dk/files/media/rapporter/2016/E16/E16\_DISK.pdf (assessed 21 October 2016).

"Stort fald i antal modtagere af kontanthjælpsydelser," https://www.dst.dk/da/Statistik/nyt/NytHtml?cid=25774 (Accessed 7 November 2018).

"10 Most Happy Countries Around the World," https://www.wonderslist.com/10-most-happy-countries-in-the-world/ (accessed 7 November 2018).

## Health

Health Policy Score: 8 There is a universal entitlement for all citizens to health care, 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

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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. Patients now have a "time guarantee," making it possible to opt for 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, there has been much focus on this area.

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. Nevertheless, the government has proposed a new heath care policy reform, which aims to improve coordination between the systems, as the prime minister explained in his opening speech to the parliament on 2 October 2018. The government has proposed creating 21 new health care communities around some existing hospitals, covering four to five municipalities, although further details are not yet available. A further reform could lead to the abolishment of the regions, which are headed by elected politicians. While abolishing the regions is supported by the Danish Peoples' Party and has some support in the three-party government, the opposition, including the Social Democrats, see the regions as an integral part of Danish democracy.

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While improving cancer treatment was seen as a priority area in recent years, the government is now (October 2018) promising DKK 2.1 billion over the next four years for psychiatry.

Citation:

OECD, Health at a glance 2017," (accessed 7 December 2017).

Prime Minister Lars Løkke Rasmussen's Opening Address on 3 October 2017," http://www.stm.dk/\_p\_14597.html (accessed 21 October 2017).

The prime minister's speech at the opening of the Danish Parliament - Folketinget (2 October 2018), http://stm.dk/\_p\_14747.html (accessed 7 November 2018).

## **Families**

Family Policy Score: 9 Denmark scores well on family policy in international comparisons. Day care centers, preschools and kindergartens allow flexibility for both parents to work. Indeed, female employment in Denmark is among the highest among OECD countries. Comparative research also shows that men 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. About 95% of children aged three to five attended some kind of preschool institution. 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. Many women want to be in work, not only for financial reasons, but also for career reasons. 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, Labor and Social Affairs, https://www.oecd.org/els/soc/PF3\_2\_Enrolment\_childcare\_preschool.pdf (accessed 7 Demceber 2017).

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"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 Danish pension system 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 in the top of 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. First, there will be step increases in the retirement age (early retirement and pensions) and the early retirement period will be reduced from five to three years. Then, retirement ages will be linked to developments in life expectancy at the age of 60 such that the expected pension period will become 14.5 years (17.5 including early retirement) in the long run (currently the expected pension period is between 18.5 and 23.5 years). An attempt to phase these changes in more quickly did not get political support.

## Citation:

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

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## 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. As a consequence, 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.

There is broad political support for 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

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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. Denmark currently does not take so-called quota refugees through the United Nations, even if some municipalities declare that they are ready to receive more.

Another controversial issue is the question of attracting qualified workers from abroad, which is arguably more a labor market policy issue. The rules for this type of immigration is debated in the context of the currently low unemployment rate.

According to various reports integration is actually improving more than one would think given the current political debate. Half of male refugees are in work after three years and children of refugees are integrating into Danish schools faster than in the past. A mix of a strong economy and active integration policies are starting to show improvements.

### Citation:

Web site: http://uim.dk/tal-og-statistik/tal-og-statistik-om-integration

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).

Udlændinge- og integrationsministeriet, "Tal på udlændingeområdet pr. 31.08.2018".

"Regeringen når eget mål om flygtninge i arbejde," Berlingske. 10 September 2018.

"Forsker: Det går bedre med integrationen end vi tror," Danmark Søndag, 21. October 2018.

## Safe Living

Internal Security Policy 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.

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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.

Denmark has opted out of the justice and home affairs cooperation within the European Union (since 1993), a position that was reaffirmed by referendum in 2015. Subsequent negotiations led to an agreement with Europol, which allows Denmark to take part in police cooperation. It remains to be seen how satisfactory the agreement will be, although there is no majority support for reopening the issue.

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 controls continues to be discussed.

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 attach 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).

"Iran attempted political assassination in Denmark:PET," https://www.thelocal.dk/20181030/iran-attempted-assassination-in-denmark-pet (accessed 7 November 2018).

## **Global Inequalities**

Global Social Policy Score: 9 Assisting developing countries has broad support. 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. Denmark's development aid in 2017 amounted 0.72% of GNI (0.85% in 2011). Some of the funds have been redirected to address the increasing inflow asylum-seekers. There will be

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increased focus on the regions in the Middle East and Africa from where many refugees come. Denmark's humanitarian aid will not be reduced.

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/oecd/development/oecd-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-fraudenrigsministeriet/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)

OECD, Development Co-operation Report 2018, https://www.oecd-ilibrary.org/docserver/dcr-2018-en.pdf?expires=1539180489&id=id&accname=guest&checksum=D54EE154C2B53F0125F33AFEFF51FE C2 (Accessed 10 October 2018).

## III. Environmental Policies

## **Environment**

Environmental Policy Score: 9 Denmark is considered to be a front-runner in environmental policy. According to the 2018 Climate Change Performance Index of the Climate Action Network Europe, Denmark ranked 17 out of 178 countries. Agriculture's contribution to ground and water pollution has occasionally become a political issue in Denmark.

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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 carbon dioxide 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 carbon dioxide friendly this is largely mitigated by imports from countries where production is less carbon dioxide-friendly. Measured in terms of production Denmark has emissions per capita that rank it eighth highest in the OECD and measured in terms of consumption seventh 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.

In June 2018, all parties in the Folketing approved an energy agreement, which aims to have 100% of Danish electricity produced by renewable sources by 2030 . Concretely, three large offshore windfarms are planned. Taxes on electricity will be reduced for various purposes. Money will also be budgeted for green transport, meaning more electric cars.

It is expected that environmental policy will be an important issue in the upcoming parliamentary elections, which must take place before June 2019. On 9 October 2018, the government put forward a new climate plan with 14 specific proposals, mostly concerning the phasing out of petrol and diesel cars by 2030, and earlier for buses and taxis.

### 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 Demceber 2017).

Climate Action Network Europe, "The Climate Change Performance Index. Results 2018," https://www.germanwatch.org/sites/germanwatch.org/files/publication/20504.pdf (Accessed 2 December 2018).

 $Rockwool\ Fondens for skningsenhed,\ 2014,\ Measuring\ Denmark's\ CO2\ emissions.\ Copenhagen.$ 

Environmental Performance Index. Country profile: Denmark. http://www.epi.yale.edu/epi/country-

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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).

Ministry of Environment and Food, Sammen on en grønnere fremtid, https://mfvm.dk/nyheder/nyhed/sammen-om-en-groennere-fremtid/ (Accessed 9 October 2018).

"Dansk Energi roser partierne bag ny energiaftale for at tage ansvar og gøre danskernes strøm grønnere og billigere til gavn for både økonomi og samfund." https://www.danskenergi.dk/nyheder/pressemeddelelse/energiaftale-gor-gronnere-danmark-elektrisk (Accessed 7 November 2018).

### **Global Environmental Protection**

Global Environmental Policy Score: 8 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 with its focus shifting toward global warming, including the reduction of carbon dioxide 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 was 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.

There is broad understanding in Denmark that global environmental protection is an international issue. It is a policy area in which civil society is very actively putting pressure on politicians. In domestic policy discussions, there is increasing focus on whether policies are sufficiently ambitious. The government's target is that 50% of energy consumption will be based on renewable energy by 2030 . Moreover, the government has launched a Partnership for Green Growth and the Global Goals 2030 (P4G). A broad agreement reached in parliament implies investment in three new offshore windfarms and lower electricity taxes. Domestically, the most important proposal focuses on phasing out diesel and petrol cars, mentioning that the transport sector is responsible for a quarter of the country's domestic carbon dioxide emissions.

The P4G, which was initiated by the prime minster, held a summit in Copenhagen in October 2018, with more than 800 participants developing public-private partnerships to achieve the Sustainable Development Goals.

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#### 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).

"Klimaindsatsen 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).

Statsministerens tale ved Folketingets åbning, 2. oktober 2018, http://www.stm.dk/\_p\_14739.html (Accessed 9 October 2018).

P4G Copenhagen Summit 2018: Accelerating partnerships, https://p4gsummit.org/ (Accessed 7 November 2018).

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# 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 Ejlers" 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. Denmark traditionally ranks high in the Press Freedom Index, but in 2018 Denmark dropped down to ninth place, with the report mentioning the murder of Swedish journalist Kim Wall in 2017.

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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 2018." https://rsf.org/en/denmark (Accessed 24 September 2018)

Zahle Henrik, 2001, Dansk Forfatningsret 1.

Voting and Registration Rights Score: 9 According to section 29 of the Danish constitution, "Any Danish subject who is permanently domiciled in the Realm, and who has the age qualification for suffrage as provided for in sub-section (2) of this section shall have the right to vote at Folketing elections, provided that he has not been declared incapable of conducting his own affairs."

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 on legal competence applies to the Folketing (section 29 of the constitution), but – according to a parliament decision in 2016 – not to local, regional or European Parliament elections. Any person above the age of 18 (since 1978) and "permanently resident in the realm" is entitled to vote.

Citation:

Folketinget, Parliamentary Election Act of Denmark, http://www.ft.dk/~/media/Pdf\_materiale/Pdf\_publikationer/English/valgloven\_eng\_web\_samlet%20pdf.ash x (accessed 16 April 2013).

Zahle, Dansk forfatningsret 1.

"Umyndige udviklingshæmmede kan ikke sådan lige få stemmeret til folketingsvalg," https://www.mm.dk/tjekdet/artikel/umyndige-udviklingshæmmede-kan-ikke-saadan-lige-faa-stemmeret-til-

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folketingsvalg (accessed 7 November 2018).

"2.000 danskere er frataget stemmeret." https://politiken.dk/indland/art5793960/2.000-danskere-er-frataget-stemmeret (Accessed 7 November 2018).

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, donors contributing more than DKK 20,000 should be made public, but the amount donated is confidential. 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.

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. This investigation is still ongoing as of autumn 2018.

Citation:

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

Transparency International Danmark, "Privat Partistøtte," http://transparency.dk/wpcontent/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,

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expropriation and taxation. There are no provisions in the constitution for regional or communal referendums, such referendums can only be consultative.

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, changing the qualifying age for suffrage also requires a referendum. Since 1978, the voting age has been 18.

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, including membership in the European Communities (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. In a referendum in 2000, a majority voted that Denmark should not adopt the euro. Similarly, in a referendum on justice and home affairs cooperation within the European Union (2015), a majority voted "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, but by law a "citizens' proposal" has recently been introduced. If a proposal for a law secures the support of 50,000 voters, the proposal must be debated by the parliament. Though the parliament remains free to reject the proposal (Law of 26 December 2017).

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 Traty: The Role of Member States. Brussels: P.I.E. Peter Lang, 2012, pp. 237-258.

<sup>&</sup>quot;Om borgerforslag," https://www.borgerforslag.dk/om-borgerforslag/ (Accessed 7 November 2018).

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### 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 have so far been financed by an annual license fee. The government (a coalition between the Liberals, Conservatives and the Liberal Alliance party) reached an agreement in June 2018, which will cut the budget of Denmark's Radio by 20% for the 2019 – 2023 period and gradually change the financing model from the license fee to tax-based funding. Emphasis is on public service: providing a diverse supply of Danish, trustworthy quality content, which supports Danish democracy, language and culture. At a time when immigration is a sensitive political issue, it is worth noting that the agreement also mentions Denmark's Christian cultural heritage. Some of the provisions in the agreement are rather specific, leading some critics to suggest that politicians are interfering too much with a politically independent institution. The government has announced that TV2 will be fully privatized, although this is still on the agenda.

Private media, especially newspapers, used to have party affiliations, but such affiliations have lessened in recent years. The print media is VAT exempt and also receives other forms of government support. Freedom House describes private media in Denmark as "vibrant." Though Denmark's score has been affected by various events, such as a Danish newspaper's publication of a cartoon depiction of the Islamic prophet Muhammad in 2005, which have reduced Denmark's score in subsequent years. The murder of Swedish journalist Kim Wall by the inventor Peter Madsen in 2017 has also pulled Denmark's score down.

## Citation:

Reporters Without Borders, "Press Freedom Index 2018." https://rsf.org/en/denmark (Accessed 24 September 2018).

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

"Mediaaftale for 2019-2023," https://kum.dk/fileadmin/KUM/Documents/Nyheder% 200g% 20Presse/Pressemeddelelser/2018/Medieaftale \_2019-2023.pdf (Accessed 25 September 2018)

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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), two main tabloids (BT and Ekstra Bladet) and several 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 wideranging 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, Instagram, Twitter 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).

"Media Landscape Denmark. Update May 2017," http://www.mediabrands.dk/job/Media\_Landscape\_Denmark\_2017\_update\_May.pdf (Accessed 25 September 2018).

"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 The Access to Public Administration Files Act (1985) 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." Exemptions to this framework include matters of criminal justice; access to an authority's internal case material; records of meetings of the Council of State; minutes of meetings of ministers; documents prepared by an authority for use in ministerial

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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," related to state security, defense of the realm, protection of Danish foreign policy and Danish external economic interests. This list is rather detailed and open-ended. The act stipulates that requests must be dealt with quickly. If no decision has been made within 10 days, authorities must inform inquiring parties as to why their request has been delayed and when they can expect a decision.

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.

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,"

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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, inviolability of property, inviolability of dwellings, freedom of speech, freedom of association and freedom of assembly. 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 and concerning unnecessarily lengthy case proceedings. 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." There is now a political debate in Denmark about whether the country should start taking these so-called quota refugees again.

Recently, the Parliamentary Ombudsman concluded that the separation of couples seeking asylum (where one partner is under the age of 18) is a violation of the Danish Act on Public Administration and possibly a violation of the right to family life.

A recent ban on wearing face veils was a relatively controversial measure, which was passed by the parliament.

Citation:

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

Institut for menneskerettigheder, "Danske sager,"

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http://menneskeret.dk/menneskerettigheder/europa,+oplysning+og+rettigheder/europar%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% 20 Christensen% 20v.% 20 Denmark.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).

Amnesty International, Denmark 2017/2018. https://www.amnesty.org/en/countries/europe-and-central-asia/denmark/report-denmark/ (Accessed 3 October 2018).

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. A new investigation of this case has been started, as new information has become available.

## Citation:

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

Amnesty International, Denmark 2017/2018, https://www.amnesty.org/en/countries/europe-and-central-asia/denmark/report-denmark/ (Accessed 3 October 2018)

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

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Nondiscrimination 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. Gender-based discrimination in the labor market relates primarily to wages, but also, more generally, to hiring and career options. About two-thirds of the observed average gender-wage difference can be explained by individual differences and sectoral employment, but the remaining difference suggests that there is not equal pay for equal work. Rules for parental leave have been expanded to extend the right (and duty) of fathers to take paternity leave and for all employers (since 2006) to contribute to the financing of parental leave schemes.

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 (from outside the European Union) which have been residing in the country seven out of the last eight years. While formally treating all immigrants equally, the scheme in particular targets immigrants from low-income countries with a low employment rate.

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. Immigration rules and their implementation have been tightened several times. Even the Social

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Democrats, under the party's new leadership, now favors a tight immigration policy. Although immigration and asylum pressure decreased rather substantially by 2018, it is expected to be among the most important issues on the agenda during the forthcoming electoral debate.

### 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. The courts can review executive action. According to the constitution, "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. Moreover, "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

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Appointment of Justices
Score: 10

The Danish constitution (sections 3, 62 and 64) states that "judicial authority shall be vested in the courts of justice ... the administration of justice shall always remain independent of executive authority ... [and] 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 (since 1999) to broaden the recruitment of judges and enhance transparency. 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.

"Dommerudnævnelsesrådet."

 $http://www.domstol.dk/om/organisation/Pages/Dommerudn\%C3\%A6vnelsesr\%C3\%A5det.aspx \quad (accessed 17 April 2013). \\$ 

Corruption Prevention Score: 10 In Transparency International's Corruption Perception Index 2016, Denmark ranked second after New Zealand. Denmark is thus considered one of the least corrupt countries in the world. Norms against corruption are strong and the risk of media exposure 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. A court case in 2017 led to the conviction of several employees of the IT vendor Atea A/S for bribery and embezzlement. The employees had offered electronic devices to government employees, some of whom were convicted for accepting these devices.

## Citation:

Transparency International Corruption Perception Index 2017, https://www.transparency.org/news/feature/corruption\_perceptions\_index\_2017 (Accessed 3 October 2018). GAN Business Anti-corruption Portal, "Denmark Corruption Report," https://www.business-anti-corruption.com/country-profiles/denmark/ (Accessed 3 October 2018).

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# Governance

# I. Executive Capacity

# Strategic Capacity

Strategic Planning Score: 9

Government policies have traditionally 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.

Major reforms in Denmark are usually prepared through committees or commissions established to produce reports 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 commission), Produktivitetskommissionen (tax (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, 2015, 2020 and (most recently) 2025 plans. The 2025 plan was presented by the previous Liberal minority government in August 2016 and subsequently reaffirmed by the current 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 SGI 2019 | 38 Denmark Report

measurement problems in assessing the outcome of such initiatives. As a sign of the ongoing process, the new coalition government includes a minister responsible for public innovation. Reforms of the tax authority have been criticized for being excessively focused on cost savings, which results in less effective tax administration and reduced control over tax compliance.

#### Citation:

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

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)

"Afhøringer i skandalesag om udbytteskat for milliarder indledes," https://www.berlingske.dk/politik/afhoeringer-i-skandalesag-om-udbytteskat-for-milliarder-indledes (Accessed 7 November 2018).

Expert 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. On a more permanent basis, the Danish Economic Council plays an important role as an independent institution, as politicians heed its recommendations. Since 2007, the number of chairmen of the Economic Council have increased from three to four and the responsibilities of the chairmen have been expanded. They now also head the Environmental Economic Council and the productivity council (meeting EU requirements), and act as the fiscal watchdog (related to the new budget law). 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.

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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.

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

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leaders of the other government parties, the Conservatives and Liberal Alliance, as well as the parliamentary support party, 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/\_p\_8011.html (Accessed 4 October 2018).

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

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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.

Digitalization for Interministerial Coordination Score: 9 According to the European Commission's Digital Economy and Society Index (DESI), Denmark is the most advanced country in the European Union when it comes to using digital technologies. The index is based on connectivity, human capital, use of internet services, integration of digital technology, digital public services, the EU ICT sector and its R&D performance, and research and innovation. Public services are highly digitalized in Denmark, including e-government and e-health care services.

At the beginning of 2018, the Danish government presented a strategy for Denmark's digital growth that included 36 initiatives, many of which were geared toward the economy, including SMEs and e-commerce, but also strengthening computational thinking in elementary schools.

Although these reports and strategies do not focus on interministerial coordination as such, there is no reason not to assume that digital technologies are also increasingly used to facilitate interministerial coordination.

#### Citation:

European Commission, "The Digital Economy and Society Index (DESI),https://ec.europa.eu/digital-single-market/en/desi (Accessed 4 October 2018).

Ministry of Industry, Business and Financial Affairs, "Strategy for Denmark's Digital Growth," file:///C:/Users/Finn/Downloads/Digital%20growth%20strategy%20report\_UK\_WEB.pdf (accessed 4 October 2018).

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Ministry of Foreign Affairs, "The Danish Government presents 'Digital Growth strategy,' https://investindk.com/insights/the-danish-government-presents-digital-growth-strategy (Accessed 4 October 2018).

Ministry of Foreign Affairs, "Denmark once again the most digital country in the EU," https://investindk.com/insights/denmark-once-again-the-most-digital-country-in-the-eu (Accessed 4 October 2018).

Per Byrge Sørensen, Forvaltningsret med et digitalt perspektiv. København: Karnov, 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).

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=cirkul%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.

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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.

#### Citation:

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

Quality of Ex Post Evaluation Score: 8 Existing regulations of RIAs do not require ex-post evaluations. Such evaluations are part of the ongoing political process. Political agreements either explicitly or implicitly settle policies for some period. Though various events and developments may require subsequent action, which would provide a chance for citizens, media outlets and policy entrepreneurs to advocate policy reforms. This happens regularly in the Danish political system and very often the government or the opposition will suggest new policies. Sometimes expert committees will be set up to analyze the issues. Most significant policies are regularly debated and policy reforms are common.

The annual budget preparation is one occasion for evaluating policies. The

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parliament's Rigsrevision (auditor general) also issues an annual report, which may lead to policy reforms. In some cases, an assessment is made an explicit part of a political agreement (e.g., labor market policy).

#### Citation:

Vejledning om konsekvensanalyser Maj 2005 (afsnit 3.2, 7.1 og 7.2 revideret i 2018). https://modst.dk/media/19528/vejledning-om-konsekvensanalyser-maj-2005-afsnit-3-2-7-1-og-7-2-revideret-i-2018.pdf (Accessed 10 October 2018),

Jørgen Grønnegård Christensen et al, Politik og forvaltning. 4. udg. Reitzels Forlag, 2017, p.300.

### **Societal Consultation**

Public Consultation 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 Effective communication is increasingly important for policymakers, and communication strategies 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 SGI 2019 | 45 Denmark Report

minister will act swiftly and a corrective statement will follow from the minister in question – or he or she will most likely be replaced.

The nature of coalition governments, which are typical in Denmark, can occasionally 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. 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.

## Implementation

Government Effectiveness Score: 8 The Danish government administration has a reasonable track-record in implementing its agenda. 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. There are now proposals to abolish the regions, which are

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largely responsible for hospitals, as part of a health care policy reform. The government wants the reform to be adopted before the next parliamentary election, which must take place before June 2019.

#### Citation:

Jørgen Grønnegård Christensen et al., Politik og forvaltning, 4. udg., 2017, chapter 2.

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

Ministerial Compliance Score: 9 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 allows rogue ministers to 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.

#### Citation:

Carsten Henrichsen, Offentlig Forvaltning. 2. ed. Copenhagen: Forlaget Thomson, 2006.

Monitoring Ministries Score: 8 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.

#### Citation:

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

Monitoring Agencies, Bureaucracies Score: 8 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.

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.

#### Citation:

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

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Task Funding Score: 8

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 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 from 2014, 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.

#### Citation:

Jørgen Grønnegård Christiansen et al., Politik og forvaltning, 4. udg., 2017. Carsten Henrichsen, Offentlig Forvaltning, 2006.

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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.

Effective Regulatory Enforcement Score: 8 The government is fairly effective in enforcing regulations. It is difficult for the government to protect resourceful interests, and any such effort would most likely be noticed by the media and thus potentially exploited by the opposition in the parliament.

The tradition of coalition and minority governments, and tripartite consultations are further mechanisms that ensure the effective and relatively unbiased enforcement of regulations. Moreover, there are a number of formal checks and balances in the Danish system that also ensure the effective and unbiased enforcement of regulations.

# Adaptablility

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,

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Manchester University Press, 2003, pp. 92-114.

Rasmus Brun Pedersen et al., "Dansk europapolitik og det danske EU-koordinationssystem." 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 and Danish politicians are proud to promote Danish values internationally.

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. Denmark is among the countries that contribute the highest percentage of GDP to development aid.

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.

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 and there are regular council meetings were 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

Monitoring and management within the public sector is crucial given the size of the sector. Tighter budget rules have increased focus on efficiency and productivity in the public sector, and 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.

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The agency for modernization at the Ministry of Finance is responsible for innovation and efficiency in the public sector. 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 ranked ninth in the United Nation's 2016 list of e-government development index, but has moved up to first place in the 2018 survey, ahead of Australia and South Korea.

#### 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).

United Nations E-Government Survey 2018, https://publicadministration.un.org/en/Research/UN-e-Government-Surveys (Accessed 7 October 2018).

Institutional Reform Score: 8 The last major reform within the public sector was the structural reform of 2007 and the 2012 Budget Law. The key element for the government's effort to make the public sector more efficient is the 2% across-the-board budget reduction (omprioriteringsbidrag), with the savings reallocated to new initiatives. There is heated discussion about whether this will induce public institutions to increase efficiency and productivity.

The prime minister suggested a reform of health care governance in his speech at the first meeting of the parliament at the beginning of October 2018. The Danish Peoples' Party, which supports the government, favors abolishing the regions, while the leading opposition party, the Social Democrats, is against the idea. The prime minister discussed creating 21 new health communities (sundhedsfællesskaber) to create a bridge between hospitals, municipalities and practicing doctors, without mentioning the regions.

#### 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.

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Carsten Greve and Niels Ejersbo, Udviklingen i styringen af den offentlige sektor. Baggrundspapir til Produktivitetskommissionen.

 $http://produktivitetskommissionen.dk/media/142136/Baggrundsnotat\%20af\%20Greve\%20og\%20Ejersbo.pd\ f\ (Accessed\ 22\ October\ 2014).$ 

Statsministerens tale ved Folketingets åbning, 2. oktober 2018, http://fo.stm.dk/\_p\_14739.html (Accessed 7 October 2018).

# II. Executive Accountability

# Citizens' Participatory Competence

Political 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). There is ongoing discussions about whether the information provided is comprehensible to most citizens, given the technicalities and complexities involved.

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 (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.

#### 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).

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Open
Government
Score: 9

All governmental agencies have websites where a lot of information is made publicly available. When new policy initiatives are suggested or approved, the responsible ministers will usually hold press conferences allowing the media – print, online and TV – to inform citizens and debate the proposals. TV2's dedicated news program, TV2 News, is very good at covering new policy events, and broadcasts several programs during the week in which well-informed journalists and experts debate the news. Important parliamentary debates are covered by the media and sometimes directly broadcast by TV channels. Furthermore, Denmark has the "access to public administration files act" of 1985, which replaced the Public Recors Act of 1970.

#### Citation:

Jørgen Grønnegård Christensen og Jørgen Elklit (red.), Det Demokratiske System. 4. udgave. Hans Reitzels Forlag, 2016.

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

Året der gik i Folketinget: Beretning om Folketingsåret 2016-2017. https://www.ft.dk/~/media/sites/ft/pdf/publikationer/aarsberetning/aaret-der-gik-i-folketinget-2016\_17.ashx?la=da (Accessed 7 October 2018).

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.

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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).

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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 European 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.

### Media

Media Reporting Score: 8

Media play an important role in the democratic process and, through editorial choice, the media has an important influence on agenda-setting. Among media outlets, there is 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. There is also a tendency to favor senior politicians and government representatives. Weaker actors, such as representatives of immigrants or ethnic minorities, get less coverage, although immigration stories have become important in recent years and are now regularly reported.

In addition to daily news programs, some television and radio stations offer more analytical in-depth programs, which can be quite informative. It is worth mentioning that the education of journalists has improved in recent years. Overall, the Danish media focus more on national rather than international news, including EU issues.

Traditional media face increasing competition from alternative news sources (e.g., news websites and social media) and their financing is declining due to

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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 (Article 24) and between a minister and a member of the parliament (Article 27). Despite criticism from the Danish Association of Journalists that the exemptions are too extensive, the law remains in force.

The funding of public TV and radio has been debated for some years, and - as a result the funding of the main operator Danmarks Radio (DR) - has been changed from a near-universal license fee to financing via general taxation.

#### Citation

Peter Munk Christiansen og Lise Togeby, 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).

Dansk Journalistforbund, Udtalelse fra DJ's delegeretmøde: Styrk offentlighedsloven, https://journalistforbundet.dk/nyhed/udtalelse-fra-djs-delegeretmøde-styrk-offentlighedsloven (Accessed 7 October 2018).

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

## **Parties and Interest Associations**

Intra-party
Decision-Making
Score: 8

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.

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 participate in government. 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 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

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tradition of broad compromise and agreement, and daily politics is less partisan than in some other countries.

Newer parties (e.g., the second largest party currently in the parliament, the Danish People's Party, or the Alternative) may be more tempted to propose popular, even populist, policies. However, parties that aspire to participate in future governments 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 the current three-party government, and has managed, in this way, to promote some of the party's core issues (e.g., elderly and immigration policy). Similarly, the Socialist People's Party participated in government for the first time in 2011, although it left the government in January 2014 because of internal disagreements over the policies pursued by the coalition.

#### 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 (Employers & Unions) Score: 9 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 policy setting enforces discipline on organizations. Although they promote their special interests, they also have to bring them into a realistic political setting to have influence. This consensus tradition is also seen in the labor market, where organizations have a tradition of settling issues to avoid political interference.

#### 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.

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Association Competence (Others) Score: 8 In accordance with the corporatist tradition, 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 the larger labor market organizations to get access to the government. Despite occasional criticism of the role of experts and commissions, they remain important.

#### 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.

# **Independent Supervisory Bodies**

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. Distinguished law professors have held the position of ombudsman, especially in the early years. Criticisms from the ombudsman normally lead to a change in practice or policy.

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. In 2017, 5,062 cases were concluded: 17.9% were rejected for formal reasons,17.7% were investigated, and 64.4% led to other forms of processing and assistance

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to citizens. Again, the largest number of complaints were about municipalities (1,568 cases) and the Ministry of Justice (718 cases), with only a few complaints about the Ministry of Immigration and Integration (186 cases).

Citation:

Henrik Zahle, Dansk forfatningsret 2.

Web site of the Danish Parliamentary Ombudsman: http://en.ombudsmanden.dk/ (re-accessed 8 October 2018).

Folketingets Ombudsmands Beretning 2017, http://beretning2017.ombudsmanden.dk/ (Accessed 8 October 2018)

Data Protection Authority Score: 9 Denmark has an independent data protection authority (Datatilsynet), which monitors the implementation and enforcement of data protection rules. The authority also deals with complaints, and gives advice to government institutions and companies. The council has a chairperson and six other members appointed by the minister of justice. The council first of all takes decisions about cases of a principal nature concerning personal data and the law concerning public institutions treatment of personal information.

During 2017, the agency took part in 391 cases of law preparation, received 1,511 questions and complaints about private companies and other data-responsible actors, and received 702 questions and complaints about public authorities. The agency initiated 73 cases and there were 255 international cases.

The agency takes part in international cooperation, including in the European Union, and monitors the handling of data in relation to Schengen and Europol cooperation.

Since 25 May 2018, when the European Union's General Data Protection Regulation (GDPR) entered into force, the Datatilsyn's director represents Denmark in the new European Data Protection Board (EDPB).

Citation:

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