Denmark Report
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Sustainable Governance Indicators 2020
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 its relatively strong economic performance (e.g., as measured by per capita income), but also for its 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 share. Overall, Denmark has shown that it is possible to combine an extensive welfare state with a well-functioning economy.

The economy has performed well in recent years with activity and employment close to capacity. The recent debate on labor shortages and overheating has faded, and current projections predict a steadying of development with moderate growth rates and unemployment close to its structural level. Key macroeconomic indicators are favorable and performing comparatively well. The labor market integration of immigrants and the provision of welfare services (e.g., education, social care and healthcare) remain crucial challenges, and the implications of more ambitious climate policies are widely discussed.

In an attempt to strengthen the incentive structure, and boost labor supply and employment, previous governments have had strong reform agendas. These agendas 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 should 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. Lately, climate change policy has moved up the political agenda and all parties – except the small New Right, which entered the parliament following the June 2019 election – now support the goal of reducing greenhouse gas emissions by 70% by 2030 relative to 1990 levels.
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.

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. Though the new Social Democratic government, which has held power since June 2019, has found sufficient budget slack to transfer more money to the municipalities and regions.

Third, immigration and the integration of immigrants remains controversial. The general trend, which has broad parliamentary support, has been toward stricter immigration rules and further tightening was considered by the previous government. 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 disputed 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.

**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 dialogue, cooperation and broad-based reform goals contribute to the country’s adaptability. Trust between different actors and societal groups, often referred to as “social capital,” has also been an important factor. However, to remain among the leading industrialized nations, Denmark must continue to monitor its policies and institutions. Additional changes and reforms will be necessary.

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

First, the challenge of maintaining a high employment rate remains relevant, not least in the perspective of technological change (e.g., automatization), globalization and migration. A key question in this debate is whether the extent to which 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 given the low level of productivity growth. In addition, given the relative size of the public sector, improving government efficiency and productivity will be an important task.

Third, although inequality is low and social cohesion is high, in comparison to other OECD countries, Danish society is trending toward greater 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 been strengthened by a series of recent reforms, fiscal challenges remain due to increasing demands on welfare services in general and healthcare 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 has remained a very delicate subject since the referendum in 2000. Denmark is not a member, but pursues a tight, fixed exchange rate policy with the Danish krone pegged to the euro. This peg has proven very credible, as reflected in a very small (and in some periods negative) interest rate spread to the euro zone. 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 remains a work in progress.

Party Polarization

Due to the relatively large number of parties represented in the parliament (currently 10 plus representatives from the Faroe Islands and Greenland), most governments – including most coalition governments – are minority governments, which are obliged to seek broader coalitions to pass particular pieces of legislation. Danish politicians have therefore developed strong negotiation skills and flexible coalition arrangements, allowing for cross-party agreements on most policy reforms. This limits party polarization, although there is a divide between the “blue” block led by the Liberal Party and the “red” block led by the Social Democratic Party.

However, these blocs are not monolithic. Although the Danish People’s Party gave parliamentary support to the former Liberal-led government, it also flirted with the Social Democratic Party with whom they have affinities on immigration and social policies. On the left side, the red block – which, in addition to the Social Democratic Party, includes the Social Liberal Party, Socialist People’s Party and Unity List – decided to give parliamentary support to the minority Social Democratic government following the 5 June 2019 elections, leaving the green Alternative party in an uncertain position. The “understanding paper” (forståelses papir) outlines the basis of the parliamentary support negotiated between the current Social Democratic government and the three other red block parties. However, it is expected that the current government will also attract parliamentary support from some of the “blue” block parties for its proposed reforms, including a major climate law.
The limited polarization has historically implied that the Social Liberal Party has alternated between supporting “red” and “blue” governments, and in the last election campaign the then prime minister, Lars Lykke Rasmussen, proposed a Liberal-Social Democratic government. Though disagreements within the Liberal Party subsequently forced him to step down as party leader. (Score: 9)

Citation:
Policy Performance

I. Economic Policies

Economy

Output is currently slightly above capacity output (positive output gap). Employment has been growing, especially for the elderly, and unemployment is close to the structural level, which is comparatively low. Per capita income has increased more than in most other countries, not least due to improvements in the terms of trade. Productivity growth is low by historic comparison, but similar to the OECD average. Growth in GDP is projected to slow down a little over the coming years from about 2%. The growth forecast for 2020 is about 1.25%, comparable to growth in many other OECD countries.

The public budget is in surplus, reflecting the favorable business cycle situation, and the structural balance is close to zero. Public debt is (EMU debt) is about 35% of GDP, which is low in comparison to most EU member states. Fiscal policies are sustainable despite an aging population due to mandated labor market pensions and recent reforms to increase statutory retirement ages.

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. Structural discussions have focused on ensuring that the labor force comprises an appropriate mix of qualifications and improving the position of immigrants in the labor market. Efforts to improve productivity raise questions concerning education, research, industrial and tax policies.

While the conditions for fiscal sustainability are being met, political discussions about the appropriate balance between tax revenue and expenditure continue. On the expenditure side, there is widespread discussion
about demographic change (e.g., population aging) and increasing demand for social services, not least on healthcare. The new Social Democratic government, which came to power at the end of June 2019, is planning to increase spending on welfare and education in 2020. A major policy question concerns the setting of ambitious environmental goals, the financing of the measures needed to reach these goals and the broad consequences of these measures for the economy.

Geopolitical developments, including the United Kingdom’s Brexit decision, are a source of uncertainty for the future development of the Danish economy.

Citation:

Labor Markets

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. Unemployment is low and structural barriers, including qualifications, are the main barrier to further reductions in unemployment. Concern about labor shortages has weakened somewhat in the light of moderate economic growth forecasts for the Danish economy. 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 changed frequently in light of political discussion, experience and research results. This applies in particular to active labor market policies, an essential part of the flexicurity model, but also to how resources are distributed. Following recommendations from the Kock Group, recent reforms offer less rigid participation rules for programs aimed at better matching the characteristics of the individual with the needs of the labor market. The social assistance scheme has changed to ensure that young people (below the age of 30) attain a labor market relevant education rather than receiving passive support. Additional work incentives for
other groups on social assistance include both a cap on total transfers and an employment requirement to maintain support. The role and effectiveness of job centers are also discussed.

The question of whether the economic incentives to work are sufficiently strong – “does it pay to work?” – remains a contested issue. Reforms of both the social assistance scheme and the tax system have been implemented to increase gains from work, although more recent focus has moved toward the implications of these reforms for inequality.

Citation:

Taxes

The extensive welfare state is funded through a tax share equivalent to about 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 largely been offset 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 in 2001, which, among other things, included a freeze on property taxes (the taxation of the user value of owner-occupied housing based on the
current value of the house). This tax freeze contributed to a house price boom prior to the financial crisis. In 2017, a “house-tax” reform was approved, but its implementation has been postponed until 2024. The new tax system is based on a new assessment system for property values and the statutory tax rate will be lowered. A number of transition rules are associated with the reform to ensure that incumbent homeowners do not experience an increase in tax on their property.

Further reductions in labor taxation are often discussed, but political views differed regarding whether they should target low-income or high-income groups (lowering the top marginal tax rate). The current parliamentary situation makes it less likely that the income tax system will be reformed.

Citation:


Budgets

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.

Current fiscal policy is satisfying these norms. The government is running a budget surplus, while the structural budget balance is close to zero and debt is low at 35% of GDP. Compared to other EU member states, Denmark’s public finances are in good shape.

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 five to three years), and various other reforms of disability pensions, social assistance and study grants.

Citation:

Ministry of Finance, Økonomisk Redegørelse, August 2019
Research, Innovation and Infrastructure

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 investment is 3% of GDP. This figure was actually reached in 2009, with the public sector investing 1.02% of GDP and the private sector investing 2.1%. Various initiatives have been introduced to boost R&D investments, with particular focus on the SME segment.

The Liberal government that came to power in June 2015 set a target of 1% of GDP for publicly funded research, but 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 would impact on the government’s aim to strengthen productivity and increase competitiveness.

The World Economic Forum’s 2019 report on the world’s most competitive economies ranked Denmark 10 out of 141 economies. The report pointed to Denmark’s competitiveness in terms of modern skills, a robust labor market and widespread ICT adoption, but highlighted the reduced R&D investment. It further suggested that a relaxation on hiring foreign labor could contribute to making Denmark’s labor market more efficient.

The new Social Democratic government, which came to power in June 2019, has promised to spend DKK 1 billion on green research.

Citation:

Produktivitetskommissionen, 2014: www.produktivitetskommissionen.dk

Global Financial System

In recent years, regulation of the financial sector has been changed in accordance with EU rules and regulations to increase financial sector 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 previous government’s view was that Denmark should join the banking union, but the leader of the Social Democrats, Mette Frederiksen, suggested that a referendum on the issue should take place. A promise that has been reaffirmed by the new government led by Prime Minister Mette Frederiksen.

The credibility of financial institutions has deteriorated as a result of an aggressive interpretation of tax rules and the whitewashing of money (e.g., the Danske Bank scandal in Estonia).

Citation:


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


II. Social Policies

Education

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. Longer school days, more assisted learning, lessons in Danish and math, and the teaching of foreign languages (English made compulsory from level 1, German and French from level 5) were also part of the policy. 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, but challenges remain both in relation to the intake of students and lifelong learning. Universities have been under pressure to shorten the length of study and channel students into educational programs oriented toward business.

Since 2016, the educational sector has been affected by the so-called reprioritizing contribution (omprioritetsbidrag), which has reduced the education budget by 2%. The new Social Democratic government has announced that it would end this annual saving target and transfer the money back to the education system, although the precise mechanism has not yet been determined.

Citation:
Ministry of Education, Improving the Public School – overview of reform of standards in the Danish public school,”
http://eng.uvm.dk/~rmedia/UVM/Filer/English/PDF/140708%20Improving%20the%20Public%20School.php
Social Inclusion

Inequality and poverty are low by international comparison, but have been increasing in recent years. While reforms of various welfare benefits have increased work incentives, they have also reduced incomes for some groups.

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 significantly undermines work incentives 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 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.

The new government aims to improve welfare arrangements, and strengthen measures to tackle increasing inequality and especially child poverty. A temporary benefit supplement has been introduced for families with children that are affected by the upper cap on total support or receive the “integration” benefit. Moreover, a budget increase for municipalities and regions to fund various welfare and educational programs has been announced.

Citation:


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


Health

There is a universal entitlement for all citizens to healthcare, regardless of economic circumstance. Services are offered “free of charge” and elected regional councils have governed the sector since 2007. Because financing through taxes depends on the state budget, regional authorities depend on annual budget negotiations with the Ministry of Finance.

Although healthcare spending in Denmark is high, the OECD considers its performance “subpar.” In 2018, health spending in Denmark was 10.5% of GDP (11th highest among OECD countries), of which 8.8% is publicly funded (fifth highest among OECD countries). There has been an upward trend in
healthcare 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.

Life expectancy in Denmark in 2018 was 81 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 hospital services. Increasing medicine prices are putting pressure on the financing of healthcare. A recent priority has been cancer treatment, an area in which Denmark has been lagging behind equivalent countries.

The establishment of large centralized (rather than regionally administered) hospitals has been contested and various problems in relation to, for example, electronic patient records remain unresolved. There has been debate around the idea of bringing some basic healthcare activities closer to the population via local healthcare centers. The role of the regions has also been debated and it was proposed that responsibility for healthcare should be transferred from the regions to the central state. However, this proposal does not have the support of the new government.

The new Social Democrat government has increased funding for the regional healthcare sector in order to employ more doctors, nurses and other healthcare personnel. The aim is to increase the number of nurses by 1,000 by 2021. In an agreement with the Danish regions and municipalities, the government has agreed to train 100 extra doctors in general medicine to increase public access to general physicians.

Citation:


Families

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 2017, about 70% 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.

A recent economic agreement between the government and municipalities will abolish the current modernization program for the municipalities and ease municipal budgets. Furthermore, the budget proposal for 2020 includes a temporary child support for families currently receiving little support because of existing ceilings. A commission will study the issue and recommend a more permanent solution.

Citation:


Pensions

The Danish pension system is well-structured in accordance with the World Bank’s three-pillar conceptual framework. The first pillar is a tax-financed
universal base pension with means-tested supplements. This pillar includes Denmark’s ATP pension scheme. The second pillar comprises privately organized, contribution-based labor market pensions. The contribution rate, which has increased over the years, is now 12% or more for most employees. The third pillar involves 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 main challenges involve the complexity of the system, the possible disincentive effects on savings and retirement arising from the means testing of public pensions, and 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 – increase these ages considerably to cope with the aging population. First, the retirement age (early retirement and pensions) is being gradually increased and the early retirement period is being 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.

The Social Democratic government has promised that worn-out workers should be able to retire early. The difficulty will involve delineating who would qualify for early retirement and how the system will be financed. The government will be under pressure to find answers in order to avoid reneging on its promise.

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

Integration

On 1 July 2019, there were about 800,000 immigrants and descendants of immigrants living in Denmark, or 13.8% of the population (9% immigrants, 5% descendants). Roughly two-thirds of immigrants are from non-western countries.

Immigration rules have been tightened since the 2002, including the family reunification rule introduced in 2004. Since peaking in 2015, immigration from countries outside the European Union has fallen, while immigration from within the European Union for work remains very important.

The employment rate of immigrants and their descendants aged 16 to 64 is low compared to other groups, though it has 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 22% lower than that of ethnic Danes in 2019 (for descendants the gap is 16%). The gap is higher for women (24%) than for men (19%). For immigrants from Western countries, the gap is about 11% (for descendants about 6%). Though the gaps in employment rates should be viewed in light of high employment rates in Denmark for both men and women, the high qualification requirements for securing a job and the high minimum wage.

An increasing proportion of immigrants report feeling more integrated and having more Danish friends, with fewer saying they have experienced discrimination. In addition, many more immigrants speak Danish than ever before. Half of male refugees are in work within three years and children of refugees are integrating into Danish schools faster than in the past. The combination of a strong economy and active integration policies are starting to produce improvements.

Concerning educational achievements, immigrants and their descendants – especially girls – are making progress. For the age group 25 to 34 years old, 80% of women with Danish ethnicity and 67% of women with a foreign background, and 73% of men with Danish ethnicity and 49% of men with a foreign background have completed secondary education.

There is broad political support for tight immigration policies and various measures have been introduced to reduce immigration (also for family unification) in recent years. 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 former government planned to maintain the temporary border control until control over the Schengen area’s external borders had improved. Special initiatives to tackle the creation of parallel societies, which have high rates of crime and promote anti-Danish values, were introduced. Rejected asylum-seekers will be returned. Denmark stopped receiving so-called quota refugees through the United Nations, even though some municipalities declared that they were ready to receive more. The new Social Democrat government, which came to power in June 2019, has announced that Denmark will start taking quota refugees again. The Social Democratic party has committed itself to a strict immigration policy, which allowed it to capture votes from the Danish People’s Party. However, the other parties in the “red” block, especially the Social Liberals, are in favor of a more liberal immigration policy.

While nearly everybody expected immigration policy to be the main topic in both the European Parliament election in May 2019 and the June 2019 national election, the main topic turned out to be climate change. The Danish People’s Party, which had no environmental policy, suffered stunning defeats in both elections.

Another controversial issue has been the question of attracting qualified workers from abroad, which is arguably more a labor market policy issue. The rules for this type of immigration are debated in the context of the currently low unemployment rate. The new government has indicated that opportunities for recruiting qualified workers will be improved.

Citation:
Udlændinge- og integrationsministeriet, “Tal på udlændingeområdet pr. 31.08.2018.”
“Regeringen når eget mål om flygtninge i arbejde,” Berlingske. 10 September 2018.
Safe Living

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

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

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 re-opening the issue.

Following the large influx of refugees and asylum-seekers in 2015, the government reintroduced border controls, a policy that will be continued by the new government, despite being contested by some groups. Denmark does not support 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 attack was likely to be committed by a fundamentalist Islamic group.

Recently, there have been a number of attacks, including bombings, in the Copenhagen area, which have been linked to Swedish gangs. The new Social Democratic government has therefore introduced new temporary border checks at the bridge-tunnel that connects Copenhagen and Malmö in Sweden, and ferry connections between the two countries. The government has also allocated DKK 1.2 billion in the budget proposal for 2020.

Citation:

Global Inequalities

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 has been on a downward trend, but amounts to 0.72% of GNI. Some of the funds have been redirected to address the increasing inflow asylum-seekers. There will be increased focus on the regions in the Middle East and Africa from where many refugees come. Denmark’s humanitarian aid will not be reduced.

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.

Development policy was not an important issue in connection with the 2019 parliamentary election.

Citation:
III. Environmental Policies

Environment

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. Climate and environmental policies have taken center stage in recent policy discussions, and a wide range of aspects concerning sustainable living and production have been discussed.

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. There is broad agreement on targeting a 70% reduction in greenhouse gas emissions by 2030 relative to 1990 levels.

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 aimed to produce 100% of electricity consumed in Denmark from renewable sources by 2030. As such, three large offshore windfarms were planned, taxes on electricity were to be reduced and money was also budgeted for promoting green transport (e.g., electric cars).

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.


Global Environmental Protection

When it comes to international efforts, Denmark is actively promoting environmental protection through the European Union, relevant U.N. bodies and global conferences, including in particular the Conference of the Parties (COP) under the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC). The European Union has become an important international actor in this area with its focus shifting toward global warming, including the reduction of carbon dioxide emissions and achievement of a higher energy efficiency.
There is broad understanding in Denmark that global environmental protection is an international issue, but also a belief that being a front-runner is important to induce global action. It is a policy area in which civil society is very actively putting pressure on politicians. In domestic policy discussions, there is increasing debate about whether current policies are sufficiently ambitious, with particular focus on alternative energy sources and reductions in CO2 emissions.

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

In October 2019, the C40 World Mayors Summit took place in Copenhagen. The organization brings together representatives from 90 cities around the world that are leading the way on achieving the Paris Agreement goals at the local level. The group is also working to reduce air pollution in cities.

The new Social Democratic government, which came to power in June 2019, has set a very ambitious goal to reduce greenhouse gases by 70% by 2030. This goal is now supported by most political parties in the parliament.
Quality of Democracy

Electoral Processes

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:


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 ranks 5 out of 180 countries in the Press Freedom Index for 2019.

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, 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],


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 Folketing 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 Folketing 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:
Zahle, Dansk forfatningsret 1.

"Umyndige udviklingshemmede kan ikke sådan lige få stemmeret til folketingsvalg."

"2.000 danskere er frataget stemmeret."https://politiken.dk/indland/art5793960/2.000-danskere-er-frataget-stemmeret (Accessed 7 November 2018).
Political parties are financed by membership fees, support from other organizations/corporations and state subsidies. 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.

Private sources that contribute more than DKK 20,000 should be made public, although the amount donated can remain confidential. It is possible to circumvent this requirement by making multiple donations below the threshold limit to local political party branches. There are also examples of other indirect ways of supporting parties. The Danish branch of Transparency International has criticized these rules for failing to achieve sufficient transparent.

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 costs. Further, the parties receive electoral support depending on the number of votes won.

There is an ongoing case regarding the possible use of EU money to fund political activities in Denmark unrelated to the European Union by the Danish People’s Party. An investigation conducted by OLAF, the European Commission’s Anti-Fraud Office, concluded in October 2019 that €583,047 should be paid back. Since OLAF has no power to prosecute, the case was sent to the Danish State Prosecutor for Serious Economic and International Crime, which has now started its investigation.

Citation:


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


According to the constitution, one-third of the members of the Folketing can request that an adopted bill be sent to a referendum. A majority of those voting, representing not less than 30% of the electorate, can reject the bill.
There are some bills that are exempt from referendums, including those on finance, appropriation, civil servants, salaries and pensions, naturalization, expropriation and taxation. 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. In the latest referendum on justice and home affairs cooperation within the European Union (2015), a majority voted “no.” The use of referendums is controversial. Many have questioned whether referendums are a vote on the question in case, or a public vote of confidence in the government or 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).

Citation:
**Access to Information**

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 budget has recently been cut by 20% and the financing model is being changed 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 same government also announced that TV2 should be fully privatized. Licenses for radio stations have been contested and the recent closure of the channel 24/7 has increased debate.

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, and the murder of Swedish journalist Kim Wall by the inventor Peter Madsen in 2017.

Citation:


**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 wide-ranging and diverse coverage. The main newspapers regularly include letters to the editor that do not reflect the paper’s own views. So, in practice, there is a high degree of pluralism of opinions in Danish newspapers. A vibrant civil society contributes to this. Today Jyllands-Posten (right-wing/liberal) and Politiken (social democratic/liberal) are run by the same publishing house, but with independent editorial policies and owned by separate foundations. Only one local paper, Skive Folkeblad, is owned by a party, the Social Liberal Party.

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

All newspapers are active on the internet and are moving more toward paid content. Danes increasingly get their information digitally via social media platforms, such as Facebook, 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:

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, among other matters of criminal justice, access to an authority’s internal case material, and material gathering for the purpose of public statistics or scientific research. 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 revised Access to Public Administration Act 2014, approved by a broad majority in parliament, 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.

Citation:


Civil Rights and Political Liberties

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. These matters have also led to criticism from Amnesty International.

It is being contested whether recent changes in relation to asylum-seekers, including rules for family reunification, violate the Geneva Convention. There has also been debate in Denmark about whether the country should start receiving so-called quota refugees again.

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

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.

The new Social Democratic government, which came to power in June 2019, decided to start receiving quota refugees again.

The new government is also initiating an investigation into whether, under the former minister of immigration, Inger Støjberg, there was any wrongdoing in relation to the separation of young couples seeking asylum.

Citation:


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 of power by the police.

Recent human rights reports from Amnesty International include critiques concerning the treatment of refugees and asylum-seekers, such as the return of asylum-seekers, individual cases of denied asylum, 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:


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 the residence requirement for social assistance (which, if not fulfilled, lowers the amount of assistance) offered to immigrants from outside the European Union. While formally treating all immigrants equally, the scheme in particular targets immigrants from low-income countries with a low employment rate.

Immigration laws have been tightened several times since 2001. While previous parliaments were often split on these changes, parliamentary majorities have in recent years supported a tightening of immigration policy. Consequently, the recent shift in the position of the Social Democratic Party is significant. After coming to power in June 2019, the new Social Democratic government has liberalized a few minor aspects of Danish immigration policy. Though family reunions, except in the case of spouses from other EU member states, remain extremely difficult.

Citation:


Rule of Law

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.
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.

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.
Denmark is among the least corrupt countries in the world and ranked first in the Transparency International’s Corruption Perception Index 2018. Norms against corruption are strong and the risk of media exposure is high. In the past, there were occasional cases 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:


Governance

I. Executive Capacity

Strategic Capacity

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), Velfærdsommissionen (welfare commission), Arbejdsmarkedsommissionen (labor market commission), Skattekommissionen (tax commission), Produktivitetskommissionen (productivity commission) and Dagpengekommissionen (unemployment insurance commission). In addition, it is quite common to appoint expert groups to prepare inputs for important policy discussions and reforms. The members can be experts, representatives of organizations or civil servants. Moreover, professionalism in ministries has increased.

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

Reforms of the public sector – including healthcare, active labor market and social policies, and tax administration – have been criticized for being inadequately prepared. For example, 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. The new government has allocated funds to tackle these problems. In her opening speech to the parliament, the prime minister called for more decentralization and criticized the savings made by previous new public management approaches.

Citation:


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 (independent experts) 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 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:

Interministerial Coordination

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

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

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

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

Prime Minister Mette Frederiksen has created the Political Secretariat, which is headed by a former adviser to the Social Democratic Party. This has been criticized by the opposition, who argue that there is no tradition in Denmark for political appointees filling important posts in ministries, but has been defended by the prime minister, who argues that it ensures the government’s policy line is respected. The official description of the Political Secretariat on the PMO’s website states that it has “a special focus on the government’s priority projects and policy development, and is working to strengthen the strategic direction of the government and increase internal coordination between ministers and special advisers.”

Citation:

Jørgen Grønnegård Christensen, Peter Munk Christiansen og Marius Ibseb, Politik og forvaltning, 4.
The norms of “minister rule” and the portfolio principle (where ministers are in charge of certain areas) give the line ministries a fair amount of autonomy. The line ministries also have the most technical expertise. Nonetheless, to achieve coherent government policy, interdepartmental coordination is required. Since most governments are coalition governments this is particularly important. Coordination is not hierarchical, but 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 former three-party government formed in November 2016 was a minority government. The prime minister had to maintain contact with the leaders of the other government parties, the Conservatives and Liberal Alliance, as well as the parliamentary support party, the Danish People’s Party.

The current Social Democratic government, which has held power since June 2019, is a minority single-party government. It depends on three parties – the Social Liberals, the Socialist People’s Party and the Unity List – for parliamentary support. However, it can also seek broader agreements during the legislative process.

The Ministry of Finance 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,” 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:
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 committee for green transition (chaired by the minister of energy, utilities and climate). The latter committee was formed by the new Social Democratic government of Mette Frederiksen.

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

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

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.
Digitalization for Interministerial Coordination Score: 9

According to the European Commission’s Digital Economy and Society Index (DESI), Denmark is the fourth most advanced country in the European Union (2019) 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-healthcare 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, digital technologies are also increasingly used to facilitate interministerial coordination.

Citation:


Evidence-based Instruments

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 (sammenotat) 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&i19=159&i20=1998&i22=10&s13=0 (accessed 20 April 2013).


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 fremgangsmåden ved udarbejdelse af lovforslag, redegørelser, administrative forskrifter m.v.
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.

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 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).

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 lifelong learning. Engaging societal actors is a way for the government to gain information and create legitimacy for adopted policies.

Citation:


Policy Communication

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. The PMO plays an important role in communication, but many ministries have upgraded and employ media advisers.

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

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.

Citation:


Implementation

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.

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. With the tighter budget law, including possible sanctions toward municipalities, financial control has increased.

The regions, which are mainly responsible for healthcare, are contested, and proposals have been made to abolish them and transfer their responsibilities to the state. However, the new government does not support such a change and has emphasized the need for further decentralization. Having reached an agreement with the municipalities and regions in September 2019, the new government has increased the likelihood that its policies will be implemented locally, especially welfare and healthcare policies, and policies focused on children and the elderly.

Citation:


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:
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:

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.

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. As consequence the budget law (effective as of 2014) stipulates tight expenditure control, including possible financial sanctions of municipalities. 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 face a very tight financial situation, and have had to reconsider resource use on core activities, such as child- and old-age care, and schooling. The new Social Democratic government has in response increased transfers to municipalities and regions targeting welfare and education to make it easier for local authorities to fulfill expectations.

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. The parliament can, at any time, change the scope of local autonomy and its organization. In recent years there has been a tendency to curtail the effective discretion of lower layers in the public sector, in particular the municipalities.

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.
The government is fairly effective in enforcing regulations. It is difficult for the government to favor specific interest groups, and any such effort would most likely be noticed by the media and thus potentially exploited by the opposition in the parliament. The clearest example of effective grassroots pressure has been the change in environmental policies, which has led to changes in viewpoints across all political parties. The tradition of coalition and minority governments, and tripartite consultations are further mechanisms that ensure the effective and relatively unbiased enforcement of regulations. It should also be noted that many regulations are based on EU legislation. When it comes to the implementation of EU directives, the Danish record is quite good compared to other EU member states.

**Adaptability**

Being a small and open economy, Denmark has a long tradition of participating in international cooperation. The most wide-ranging 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:

Despite being a small country, Denmark prioritizes the provision of and contributions to global public goods, 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:


Organizational Reform

Monitoring and management within the public sector is crucial given the size of the sector. Tight public finances have increased focus on efficiency and productivity in the public sector. This has fueled a public management and governance strategy that has focused on the use of contracts, result-oriented salaries, measurements, evaluations and efficiency reports.

Significant efforts have been 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 first in the United Nation’s 2018 list of e-government development index.

The new Social Democratic prime minister, Mette Frederiksen, made it clear in her opening speech to the parliament at the beginning of October 2019 that she felt that new public management guided savings and efforts to increase efficiency had gone too far, and had created too much paper work for public sector employees.

Citation:

“90-årig mand taber sag: Glemte at tjekke sin e-Boks – og så faldt hammeren,”
The last major reforms within the public sector was the structural reform of 2007 and the 2012 Budget Law, which became effective in 2014. 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. A heated discussion followed about whether this will induce public institutions to increase efficiency and productivity.

While the structure and role of municipalities, and especially the regions, is continuously debated, there is no indication that major structural reforms will be undertaken in the near future. The new Social Democratic government is focused on improving performance within the existing structure, and has dropped the annual 2% across-the-board budget reduction target, and has increased funding for municipalities and regions.

Prime Minister Mette Frederiksen has further created a new political secretariat in the PMO to strengthen the government’s strategic direction.

Citation:


II. Executive Accountability

Citizens’ Participatory Competence

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, easily accessible across the country. 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 (84.5% in the 2019 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 (66.08% in 2019). European Parliament elections tend to be perceived as second order elections. The issues most important for voters, including healthcare, social services, pensions and education, are largely national issues.

Citation:


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 Records Act of 1970.

Citation:

Legislative Actors’ Resources

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 2017, the total number of parliamentary staff was about 400 (full-time equivalent), 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 vis-à-vis the government. Party discipline is also a strong factor in Danish politics, which can weaken individual members’ possibilities.

Citation:

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:
Folketinget, Håndbog i Folketingsarbejdet. Oktober 2015.

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 parliament exercises control over the government.

Citation:

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/~imedia/Pdf_materiale/Pdf_publikationer/Folketinget/Handbo

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, healthcare 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:


Media

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 catch the interest of the public by simplification 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 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) – is being changed from a near-universal license fee to financing via general taxation.

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

Parties and Interest Associations

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

Newer parties (e.g., the Danish People’s Party, Alternative and since June 2019 the New Right) 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 liberal-conservative minority government (2009 – 2011) and the subsequent three-party government (2015 – 2019). In this way, the Danish People’s Party has managed to promote some of the party’s
core issues (e.g., elderly and immigration policy). Similarly, the Socialist People’s Party participated in the Social Democratic-led 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.


Websites of the Danish political parties currently represented in the parliament (Folketinget) in order of representation after the June 2019 election:

- The Social Democratic Party: www.socialdemokratiet.dk
- The Liberal Party: www.venstre.dk
- The Danish People’s Party: www.danskfolkeparti.dk
- The Social Liberal Party: www.radikale.dk
- The Socialist People’s Party: www.sf.dk
- The Unity List: www.enhedslisten.dk
- The Conservative Party: www.konservative.dk
- The Alternative: http://alternativet.dk/
- The New Right: https://nyeborgerlige.dk/
- The Liberal Alliance: http://liberalalliance.dk

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 lifelong 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:

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.
Independent Supervisory Bodies

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:
Henrik Zahle, Dansk forfatningsret, 2.

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. 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 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.
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. 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:
Website: https://www.datatilsynet.dk/om-datatilsynet/ (Accessed 8 October 2018).
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